

2 **HB 2285** - S AMD - 495  
3 By Senator Prentice

4

5 Strike everything after the enacting clause and insert the  
6 following:

7 "NEW SECTION. **Sec. 1.** The purpose of this act is to effectively  
8 organize state efforts to address the community and economic  
9 development needs of the citizens of the state of Washington by  
10 restructuring the department of community, trade, and economic  
11 development, and by developing a strategic economic development plan.

12 It is the intent of the legislature that the department of  
13 community, trade, and economic development be divided into two separate  
14 agencies, the department of community development and the department of  
15 trade and economic development. The department of trade and economic  
16 development will consist of the existing divisions of economic  
17 development, international trade, and energy. The department of  
18 community development will consist of the existing divisions of  
19 housing, community services, and local government.

20 The restructuring will allow each agency to: (1) Identify and  
21 develop a focused mission; (2) organize and deliver services in a  
22 manner that is responsive to current and future needs; and (3)  
23 effectively target resources to meet the identified mission and needs  
24 of the citizens of the state of Washington in the most efficient and  
25 effective manner.

26 It is the further intent of the legislature that a strategic  
27 economic development plan for the state of Washington be developed.  
28 The economic development plan will help guide and coordinate economic  
29 development efforts pursued by state and local government and the  
30 private sector. The economic development plan will be based on a  
31 review of current state and local policies and programs, a study of  
32 issues such as work force training, industrial modernization, business  
33 retention and recruitment, technology transfer, export assistance,  
34 tourism, investment and entrepreneurial development, and the state  
35 unified plan developed by the work force development board.

1        NEW SECTION.    **Sec. 2.**    (1) On or before September 1, 1999, the  
2 director of community, trade, and economic development shall submit a  
3 plan to the governor for transferring the department's trade, business  
4 development, tourism, and economic development responsibilities and  
5 authorities to the newly created department of trade and economic  
6 development, as provided in this act.

7        (a) The reorganization plan shall include, but is not limited to,  
8 the following elements:

9        (i) Strategies for a smooth transfer of responsibilities and  
10 authorities to the newly created department of trade and economic  
11 development, including implementation steps, evaluation measures, and  
12 benchmarks to measure the effectiveness of the implementation steps;

13        (ii) Division of staff, supplies, equipment, and office space  
14 between the newly created department of trade and economic development  
15 and the department that is renamed as the department of community  
16 development; and

17        (iii) Recommendations for statutory changes for a more appropriate  
18 division of responsibilities and authorities.

19        (b) In developing the reorganization plan required under this  
20 section, the director shall establish an advisory committee comprised  
21 of:

22        (i) Two members of the house of representatives, one member from  
23 each political caucus appointed by the co-speakers of the house of  
24 representatives;

25        (ii) Two members of the senate, one member from each political  
26 caucus appointed by the president of the senate;

27        (iii) The director of financial management or the director's  
28 designee; and

29        (iv) Representatives of groups using services and programs of the  
30 department that include, but are not limited to counties, cities, port  
31 districts, economic development councils, associate development  
32 organizations, businesses, low-income housing interests, the for-profit  
33 and nonprofit housing industries, Indian tribes, community service  
34 organizations, public safety groups, nonprofit community and economic  
35 development organizations, international trade organizations, minority  
36 and women business organizations, and other organizations the director  
37 determines necessary for the development of the reorganization plan.

1 (c) The office of financial management, in consultation with the  
2 department, shall advise the director and the advisory council on  
3 matters relating to the department's budget and program functions.

4 (d) The director shall implement the reorganization plan, as  
5 approved by the governor.

6 (e) Effective October 1, 1999, the department of trade and economic  
7 development shall be created, the transfer of responsibilities and  
8 authorities to this newly created department shall occur, and the  
9 department of community, trade, and economic development shall be  
10 renamed as the department of community development.

11 (2) On or before September 1, 2000, the director of trade and  
12 economic development shall submit an economic development plan for the  
13 state of Washington to the legislature. The director shall also submit  
14 an updated economic development plan to the legislature every two years  
15 thereafter.

16 (a) The economic development plan shall be based on:

17 (i) A study and review of economic development strategies,  
18 including work force training, industrial modernization, business  
19 recruitment and retention, technology diffusion, sustainable  
20 development, export assistance, tourism, investment, and  
21 entrepreneurial development;

22 (ii) A study and review of economic development service delivery  
23 models, including urban and rural structures, centralized and  
24 decentralized systems, public and private organizations, and  
25 government-supported and self-sustaining programs;

26 (iii) A study and review of current state and local policies and  
27 programs that promote or affect economic development and a  
28 determination of their cost-effectiveness, level of cooperation with  
29 other public and private programs, and consistency with sustainable  
30 development precepts; and

31 (iv) The state unified plan for the work force development system  
32 developed by the work force development board.

33 (b) The department's research, analysis, and consultation in  
34 preparation of the economic development plan may include, but is not  
35 limited to:

36 (i) An analysis of economic development policies and programs of  
37 other states and nations;

38 (ii) An analysis of the impact of various business or industrial  
39 sectors on the state's economy; and

1 (iii) An analysis of economic trends within the state and with  
2 regional and primary international trading partners.

3 (c) The economic development plan shall include:

4 (i) Assessments of the state's economic strengths, weaknesses,  
5 opportunities, and challenges;

6 (ii) Goals, objectives, and strategies for the delivery of economic  
7 development services and products;

8 (iii) A performance measurement system for state and local economic  
9 development efforts; and

10 (iv) Implementation steps for carrying out the plan's strategies  
11 and recommendations, including proposals for legislative and  
12 administrative action.

13 (d) In developing the economic development plan required under this  
14 subsection, the director shall establish an advisory committee  
15 comprised of:

16 (i) One member from each caucus of the senate, appointed by the  
17 president of the senate; and one member from each caucus of the house  
18 of representatives, appointed by the co-speakers of the house of  
19 representatives;

20 (ii) Two members representing business, appointed jointly by the  
21 president of the senate and the co-speakers of the house of  
22 representatives; and two members representing labor, appointed jointly  
23 by the president of the senate and the co-speakers of the house of  
24 representatives;

25 (iii) One member representing local associate development  
26 organizations, selected by the Washington association of economic  
27 development councils; and

28 (iv) One member from the department of trade and economic  
29 development, one member from the department of community development,  
30 one member from the work force development board, and one member from  
31 the office of financial management, all appointed by the governor.

32 **PART I**

33 **DEPARTMENT OF COMMUNITY DEVELOPMENT**

34 **Sec. 101.** RCW 43.330.020 and 1993 c 280 s 4 are each amended to  
35 read as follows:

36 ((A)) The department of community(~~(, trade, and economic)~~)  
37 development is created. Except as provided in chapter . . . , Laws of

1 1999 (this act), the department shall be vested with all powers and  
2 duties ((established or transferred to it under this chapter)) formerly  
3 exercised by the prior department of community development, before its  
4 merger with the prior department of trade and economic development into  
5 the department of community, trade, and economic development by chapter  
6 280, Laws of 1993, and such other powers and duties as may be  
7 authorized by law. ((Unless otherwise specifically provided in chapter  
8 280, Laws of 1993, the existing responsibilities and functions of the  
9 agency programs will continue to be administered in accordance with  
10 their implementing legislation.))

11 **Sec. 102.** RCW 43.63A.021 and 1997 c 367 s 5 are each amended to  
12 read as follows:

13 Unless the context clearly requires otherwise, the definitions in  
14 this section apply throughout this chapter.

15 (1) "Department" means the department of community development.

16 (2) "Director" means the director of community development.

17 (3) "Dislocated forest products worker" means a forest products  
18 worker who: (a)(i) Has been terminated or received notice of  
19 termination from employment and is unlikely to return to employment in  
20 the individual's principal occupation or previous industry because of  
21 a diminishing demand for his or her skills in that occupation or  
22 industry; or (ii) is self-employed and has been displaced from his or  
23 her business because of the diminishing demand for the business's  
24 services or goods; and (b) at the time of last separation from  
25 employment, resided in or was employed in a rural natural resources  
26 impact area.

27 ~~((+2))~~ (4) "Forest products worker" means a worker in the forest  
28 products industries affected by the reduction of forest fiber  
29 enhancement, transportation, or production. The workers included  
30 within this definition shall be determined by the employment security  
31 department, but shall include workers employed in the industries  
32 assigned the major group standard industrial classification codes "24"  
33 and "26" and the industries involved in the harvesting and management  
34 of logs, transportation of logs and wood products, processing of wood  
35 products, and the manufacturing and distribution of wood processing and  
36 logging equipment. The commissioner may adopt rules further  
37 interpreting these definitions. For the purposes of this subsection,

1 "standard industrial classification code" means the code identified in  
2 RCW 50.29.025(6)(c).

3 ~~((3))~~ (5) "Dislocated salmon fishing worker" means a finfish  
4 products worker who: (a)(i) Has been terminated or received notice of  
5 termination from employment and is unlikely to return to employment in  
6 the individual's principal occupation or previous industry because of  
7 a diminishing demand for his or her skills in that occupation or  
8 industry; or (ii) is self-employed and has been displaced from his or  
9 her business because of the diminishing demand for the business's  
10 services or goods; and (b) at the time of last separation from  
11 employment, resided in or was employed in a rural natural resources  
12 impact area.

13 ~~((4))~~ (6) "Salmon fishing worker" means a worker in the finfish  
14 industry affected by 1994 or future salmon disasters. The workers  
15 included within this definition shall be determined by the employment  
16 security department, but shall include workers employed in the  
17 industries involved in the commercial and recreational harvesting of  
18 finfish including buying and processing finfish. The commissioner may  
19 adopt rules further interpreting these definitions.

20 **Sec. 103.** RCW 43.330.040 and 1993 c 280 s 6 are each amended to  
21 read as follows:

22 (1) The director shall supervise and administer the activities of  
23 the department and shall advise the governor and the legislature with  
24 respect to community ~~((and economic))~~ development matters affecting the  
25 state.

26 (2) In addition to other powers and duties granted to the director,  
27 the director shall have the following powers and duties:

28 (a) Enter into contracts on behalf of the state to carry out the  
29 purposes of this chapter;

30 (b) Act for the state in the initiation of or participation in any  
31 multigovernmental program relative to the purpose of this chapter;

32 (c) Accept and expend gifts and grants, whether such grants be of  
33 federal or other funds;

34 (d) Appoint ~~((such))~~ a deputy director~~((s,))~~ and assistant  
35 directors~~((, and up to seven special assistants))~~ as may be needed to  
36 administer the department. These employees are exempt from the  
37 provisions of chapter 41.06 RCW;

1 (e) Prepare and submit budgets for the department for executive and  
2 legislative action;

3 (f) Submit recommendations for legislative actions as are deemed  
4 necessary to further the purposes of this chapter;

5 (g) Adopt rules in accordance with chapter 34.05 RCW and perform  
6 all other functions necessary and proper to carry out the purposes of  
7 this chapter;

8 (h) Delegate powers, duties, and functions as the director deems  
9 necessary for efficient administration, but the director shall be  
10 responsible for the official acts of the officers and employees of the  
11 department; and

12 (i) Perform other duties as are necessary and consistent with law.

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

16 (4) The director may request information and assistance from all  
17 other agencies, departments, and officials of the state, and may  
18 reimburse such agencies, departments, or officials if such a request  
19 imposes any additional expenses upon any such agency, department, or  
20 official.

21 (5) The director shall, in carrying out the responsibilities of  
22 office, consult with governmental officials, private groups, and  
23 individuals and with officials of other states. All state agencies and  
24 their officials and the officials of any political subdivision of the  
25 state shall cooperate with and give such assistance to the department,  
26 including the submission of requested information, to allow the  
27 department to carry out its purposes under this chapter.

28 (6) The director may establish additional advisory or coordinating  
29 groups with the legislature, within state government, with state and  
30 other governmental units, with the private sector and nonprofit  
31 entities or in specialized subject areas as may be necessary to carry  
32 out the purposes of this chapter.

33 (7) The internal affairs of the department shall be under the  
34 control of the director in order that the director may manage the  
35 department in a flexible and intelligent manner as dictated by changing  
36 contemporary circumstances. Unless specifically limited by law, the  
37 director shall have complete charge and supervisory powers over the  
38 department. The director may create such administrative structures as  
39 the director deems appropriate, except as otherwise specified by law,

1 and the director may employ such personnel as may be necessary in  
2 accordance with chapter 41.06 RCW, except as otherwise provided by law.

3 **Sec. 104.** RCW 43.330.050 and 1993 c 280 s 7 are each amended to  
4 read as follows:

5 The department shall be responsible for promoting community ((and  
6 economic)) development within the state by assisting the state's  
7 communities to increase the quality of life of their citizens and their  
8 economic vitality, ((and by assisting the state's businesses to  
9 maintain and increase their economic competitiveness,)) while  
10 maintaining a healthy environment. Community ((and economic))  
11 development efforts ((shall)) include((~~Efforts to increase economic~~  
12 ~~opportunity~~)), but are not limited to, local planning to manage  
13 growth((~~+~~)), the promotion and provision of affordable housing and  
14 housing-related services((~~+~~)), providing public infrastructure((~~+~~  
15 ~~business and trade development; assisting firms and industrial sectors~~  
16 ~~to increase their competitiveness; fostering the development of~~  
17 ~~minority and women owned businesses; facilitating technology~~  
18 ~~development, transfer, and diffusion~~)), providing community services  
19 and advocacy for low-income persons((~~+~~)), and public safety efforts.  
20 The department shall have the following general functions and  
21 responsibilities:

22 (1) Provide advisory assistance to the governor, other state  
23 agencies, and the legislature on community ((and economic)) development  
24 matters and issues;

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

27 (3) Cooperate with the legislature and the governor in the  
28 development and implementation of strategic plans for the state's  
29 community ((and economic)) development efforts;

30 (4) Solicit private and federal grants for ((economic and))  
31 community development programs and administer such programs in  
32 conjunction with other programs assigned to the department by the  
33 governor or the legislature;

34 (5) Cooperate with and provide technical and financial assistance  
35 to local governments((~~, businesses,~~)) and community-based organizations  
36 serving the communities of the state for the purpose of aiding and  
37 encouraging orderly, productive, and coordinated community development  
38 of the state, and, unless stipulated otherwise, give additional

1 consideration to local communities and (~~individuals~~) community-based  
2 organizations with the greatest relative need and the fewest resources;

3 (6) Participate with other states or subdivisions thereof in  
4 interstate programs and assist cities, towns, counties, municipal  
5 corporations, governmental conferences or councils, and regional  
6 planning commissions to participate with other states and provinces or  
7 their subdivisions;

8 (7) Hold public hearings and meetings to carry out the purposes of  
9 this chapter;

10 (8) Conduct research and analysis in furtherance of the state's  
11 (~~economic and~~) community development efforts including maintenance of  
12 current information on (~~market, demographic, and economic trends as~~  
13 ~~they affect different industrial sectors,~~) geographic regions(~~(,)~~) and  
14 communities with special economic and social problems in the state; and

15 (9) Develop a schedule of fees for services where appropriate.

16 **Sec. 105.** RCW 43.330.070 and 1993 c 280 s 10 are each amended to  
17 read as follows:

18 (1) The department shall work closely with local communities to  
19 increase their capacity to respond to economic, environmental, and  
20 social problems and challenges. The department shall coordinate the  
21 delivery of (~~development services and~~) related technical assistance  
22 to local communities or regional areas(~~(. It shall promote~~  
23 ~~partnerships between the public and private sectors and between state~~  
24 ~~and local officials to encourage appropriate economic growth and~~  
25 ~~opportunity in communities throughout the state. The department)~~) and  
26 shall promote appropriate (~~local~~) community development by:  
27 (~~Supporting the ability of communities to develop and implement~~  
28 ~~strategic development plans; assisting businesses to start up,~~  
29 ~~maintain, or expand their operations;~~) Encouraging public  
30 infrastructure investment and private and public capital investment in  
31 local communities(~~(,)~~), supporting efforts to manage growth and provide  
32 affordable housing and housing services(~~(,)~~), and providing for the  
33 identification and preservation of the state's historical and cultural  
34 resources(~~(, and expanding employment opportunities)~~).

35 (2) The department shall define a set of services including related  
36 training and technical assistance that it will make available to local  
37 communities, community-based nonprofit organizations, and regional  
38 areas(~~(, or businesses)~~). The department shall simplify access to

1 these programs by providing more centralized and user-friendly  
2 information and referral. The department shall coordinate community  
3 (~~and economic~~) development efforts to minimize program redundancy and  
4 maximize accessibility. The department shall develop a set of criteria  
5 for targeting services to local communities.

6 (3) The department shall develop a coordinated and systematic  
7 approach to providing related training to community-based nonprofit  
8 organizations, local communities, and (~~businesses~~) regional areas.  
9 The approach shall be designed to increase the (~~economic and~~)  
10 community development skills available in local communities by  
11 providing training and funding for training for local citizens(~~(7)~~) and  
12 nonprofit organizations(~~(7 and businesses)~~). The department shall  
13 emphasize providing training in those communities most in need of state  
14 assistance.

15 **Sec. 106.** RCW 43.330.125 and 1995 c 347 s 430 are each amended to  
16 read as follows:

17 The department (~~of community, trade, and economic development~~)  
18 shall provide training and technical assistance to counties and cities  
19 to assist them in fulfilling the requirements of chapter 36.70B RCW.

20 **Sec. 107.** RCW 43.330.135 and 1995 c 13 s 1 are each amended to  
21 read as follows:

22 (1) The department (~~of community, trade, and economic~~  
23 ~~development~~) shall distribute such funds as are appropriated for the  
24 state-wide technical support, development, and enhancement of court-  
25 appointed special advocate programs.

26 (2) In order to receive money under subsection (1) of this section,  
27 an organization providing state-wide technical support, development,  
28 and enhancement of court-appointed special advocate programs must meet  
29 all of the following requirements:

30 (a) The organization must provide state-wide support, development,  
31 and enhancement of court-appointed special advocate programs that offer  
32 guardian ad litem services as provided in RCW 26.12.175, 26.44.053, and  
33 13.34.100;

34 (b) All guardians ad litem working under court-appointed special  
35 advocate programs supported, developed, or enhanced by the organization  
36 must be volunteers and may not receive payment for services rendered  
37 pursuant to the program. The organization may include paid positions

1 that are exclusively administrative in nature, in keeping with the  
2 scope and purpose of this section; and

3 (c) The organization providing state-wide technical support,  
4 development, and enhancement of court-appointed special advocate  
5 programs must be a public benefit nonprofit corporation as defined in  
6 RCW 24.03.490.

7 (3) If more than one organization is eligible to receive money  
8 under this section, the department shall develop criteria for  
9 allocation of appropriated money among the eligible organizations.

10 **Sec. 108.** RCW 43.31.855 and 1997 c 377 s 1 are each amended to  
11 read as follows:

12 (1) The Washington state rural development council is established  
13 and governed by an executive committee consisting of eleven members,  
14 appointed by the governor. The members will include representatives  
15 from the following categories: Business; natural resources;  
16 agriculture; environment; economic development; education; health;  
17 human services; counties; cities; and tribal governments.

18 (2) New members of the executive committee are appointed for terms  
19 of three years from the current membership list of the rural  
20 development council, as much as possible. Committee members should be  
21 people who either live, work, or provide direct services in rural  
22 areas. Committee membership must consist of no less than ninety  
23 percent of the members living in a rural area. As a transition  
24 strategy for the council, four representatives (business, counties,  
25 health, agriculture) will be appointed in 1997, four (human services,  
26 natural resources, cities, environment) in 1998, and three (economic  
27 development, tribal government, education) in 1999. The new council  
28 will be fully formed in 1999.

29 (3) The governor may make appointments from a list of candidates  
30 generated by the executive committee. The executive committee shall  
31 generate a list of at least three but not more than six candidates from  
32 recommendations from state-wide associations. The list of candidates  
33 for the county representative shall be generated by the Washington  
34 state association of counties. The list of candidates for the city  
35 representative shall be generated by the association of Washington  
36 cities. In making appointments, the governor shall consider an  
37 equitable geographic distribution.

1 (4) Members of the Washington state rural development council shall  
2 receive no compensation for their services, but shall be eligible to  
3 receive reimbursement for travel expenses as provided in RCW 43.03.050  
4 and 43.03.060.

5 (5) The department (~~(of community, trade, and economic~~  
6 ~~development)~~) may provide staff support, administrative assistance, and  
7 office space to the council as available.

8 (6) The Washington state rural development council executive  
9 committee is authorized to establish operating procedures, policies,  
10 and bylaws, and appoint committees. In addition, the executive  
11 committee is responsible for hiring, evaluating, and if necessary,  
12 firing the (~~execute~~ ~~[executive]~~) executive director according to  
13 state policies and rules.

14 (7) The Washington state rural development council is directed to:  
15 Inform legislators, the governor's office, state agencies, and federal  
16 agencies about the rural perspective on community development issues;  
17 identify and in some cases develop recommended improvements to existing  
18 resource delivery systems; and serve as a liaison or intermediary  
19 between rural communities and public and private resource providers.  
20 The council's mission is to improve the delivery and accessibility of  
21 public and private resources to meet the needs of rural communities.

22 (8) This section expires June 30, 2003.

23 **Sec. 109.** RCW 43.31.857 and 1997 c 377 s 2 are each amended to  
24 read as follows:

25 (1) The legislature encourages state agencies to contribute  
26 financially to the rural development council. In addition to the  
27 United States department of agriculture and the (~~state~~) department  
28 (~~(of community, trade, and economic development)~~), all state agencies,  
29 federal agencies, and state-wide associations that make a significant  
30 financial contribution to the rural development council shall be ex  
31 officio members. In particular, state agencies serving rural areas,  
32 including the departments of agriculture, fish and wildlife, ecology,  
33 employment security, health, natural resources, social and health  
34 services, and transportation, and the utilities and transportation  
35 commission, are encouraged to contribute financially. Financial  
36 contributions from state agencies along with those from the private  
37 sector and state-wide associations will enable the rural development  
38 council to leverage federal funds at a three-to-one ratio annually.

1        (2) This section expires June 30, 2003.

2        **Sec. 110.** RCW 43.63A.066 and 1993 c 280 s 58 are each amended to  
3 read as follows:

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

10       **Sec. 111.** RCW 43.63A.115 and 1993 c 280 s 60 are each amended to  
11 read as follows:

12       (1) The community action agency network, established initially  
13 under the federal economic opportunity act of 1964 and subsequently  
14 under the federal community services block grant program of 1981, as  
15 amended, shall be a delivery system for federal and state anti-poverty  
16 programs in this state, including but not limited to the community  
17 services block grant program, the low-income energy assistance program,  
18 and the federal department of energy weatherization program.

19       (2) Local community action agencies comprise the community action  
20 agency network. The community action agency network shall serve low-  
21 income persons in the counties. Each community action agency and its  
22 service area shall be designated in the state federal community service  
23 block grant plan as prepared by the department (~~(of community, trade,  
24 and economic development)~~)).

25       (3) Funds for anti-poverty programs may be distributed to the  
26 community action agencies by the department (~~(of community, trade, and  
27 economic development)~~) and other state agencies in consultation with  
28 the authorized representatives of community action agency networks.

29       **Sec. 112.** RCW 43.63A.125 and 1997 c 374 s 2 are each amended to  
30 read as follows:

31       If the legislature provides an appropriation to assist nonprofit  
32 organizations in acquiring, constructing, or rehabilitating facilities  
33 used for the delivery of nonresidential social services, the  
34 legislature may direct the department (~~(of community, trade, and  
35 economic development)~~) to establish a competitive process to prioritize  
36 applications for the assistance as follows:

1 (1) The department shall conduct a state-wide solicitation of  
2 project applications from local governments, nonprofit organizations,  
3 and other entities, as determined by the department. The department  
4 shall evaluate and rank applications in consultation with a citizen  
5 advisory committee using objective criteria. At a minimum, applicants  
6 must demonstrate that the requested assistance will increase the  
7 efficiency or quality of the social services it provides to citizens.  
8 The evaluation and ranking process shall also include an examination of  
9 existing assets that applicants may apply to projects. Grant  
10 assistance under this section shall not exceed twenty-five percent of  
11 the total cost of the project. The nonstate portion of the total  
12 project cost may include, but is not limited to, land, facilities, and  
13 in-kind contributions.

14 (2) The department shall submit a prioritized list of recommended  
15 projects to the legislature by November 1st following the effective  
16 date of the appropriation. The list shall include a description of  
17 each project, the amount of recommended state funding, and  
18 documentation of nonstate funds to be used for the project. The  
19 department shall not sign contracts or otherwise financially obligate  
20 funds under this section until the legislature has approved a specific  
21 list of projects.

22 (3) In contracts for grants authorized under this section the  
23 department shall include provisions which require that capital  
24 improvements shall be held by the grantee for a specified period of  
25 time appropriate to the amount of the grant and that facilities shall  
26 be used for the express purpose of the grant. If the grantee is found  
27 to be out of compliance with provisions of the contract, the grantee  
28 shall repay to the state general fund the principal amount of the grant  
29 plus interest calculated at the rate of interest on state of Washington  
30 general obligation bonds issued most closely to the date of  
31 authorization of the grant.

32 (4) The department shall develop model contract provisions for  
33 compliance with subsection (3) of this section and shall distribute its  
34 recommendations to the appropriate legislative committees, the office  
35 of financial management, and to all state agencies which provide  
36 capital grants to nonstate entities.

37 **Sec. 113.** RCW 43.63A.155 and 1993 c 280 s 61 are each amended to  
38 read as follows:

1 The department (~~of community, trade, and economic development~~)  
2 shall retain the bond information it receives under RCW 39.44.210 and  
3 39.44.230 and shall publish summaries of local government bond issues  
4 at least once a year.

5 The department (~~of community, trade, and economic development~~)  
6 shall adopt rules under chapter 34.05 RCW to implement RCW 39.44.210  
7 and 39.44.230.

8 **Sec. 114.** RCW 43.63A.245 and 1993 c 280 s 64 are each amended to  
9 read as follows:

10 Unless the context clearly requires otherwise, the definitions in  
11 this section apply throughout RCW 43.63A.240 through 43.63A.270 (as  
12 recodified by this act).

13 (1) "Agency" means one of the agencies or organizations  
14 participating in the activities of the senior environmental corps.

15 (2) "Coordinator" means the person designated by the director (~~of~~  
16 ~~community, trade, and economic development~~) with the advice of the  
17 council to administer the activities of the senior environmental corps.

18 (3) "Corps" means the senior environmental corps.

19 (4) "Council" means the senior environmental corps coordinating  
20 council.

21 (~~"Department" means the department of community, trade, and~~  
22 ~~economic development.~~

23 ~~"Director" means the director of community, trade, and economic~~  
24 ~~development or the director's authorized representative.)~~

25 (5) "Representative" means the person who represents an agency on  
26 the council and is responsible for the activities of the senior  
27 environmental corps in his or her agency.

28 (6) "Senior" means any person who is fifty-five years of age or  
29 over.

30 (7) "Volunteer" means a person who is willing to work without  
31 expectation of salary or financial reward, and who chooses where he or  
32 she provides services and the type of services he or she provides.

33 **Sec. 115.** RCW 43.63A.247 and 1994 c 264 s 25 are each amended to  
34 read as follows:

35 The senior environmental corps is created within the department  
36 (~~of community, trade, and economic development~~). The department  
37 together with the departments of agriculture, (~~community, trade, and~~

1 ~~economic development, employment security,~~) ecology, fish and  
2 wildlife, health, and natural resources, the employment security  
3 department, the parks and recreation commission, and the Puget Sound  
4 ~~((water quality authority))~~ action team shall participate in the  
5 administration and implementation of the corps and shall appoint  
6 representatives to the council.

7 **Sec. 116.** RCW 43.63A.260 and 1994 c 264 s 26 are each amended to  
8 read as follows:

9 The department shall convene a senior environmental corps  
10 coordinating council to meet as needed to establish and assess  
11 policies, define standards for projects, evaluate and select projects,  
12 develop recruitment, training, and placement procedures, receive and  
13 review project status and completion reports, and provide for  
14 recognition of volunteer activity. The council shall include  
15 representatives appointed by the department, as well as the departments  
16 of agriculture, ~~((community, trade, and economic development,))~~  
17 ecology, fish and wildlife, health, and natural resources, the parks  
18 and recreation commission, and the Puget Sound ~~((water quality~~  
19 ~~authority))~~ action team. The council shall develop bylaws, policies  
20 and procedures to govern its activities.

21 The council shall advise the director on distribution of available  
22 funding for corps activities.

23 **Sec. 117.** RCW 43.63A.275 and 1993 c 280 s 67 are each amended to  
24 read as follows:

25 (1) Each biennium the department ~~((of community, trade, and~~  
26 ~~economic development))~~ shall distribute such funds as are appropriated  
27 for retired senior volunteer programs (RSVP) as follows:

28 (a) At least sixty-five percent of the moneys may be distributed  
29 according to formulae and criteria to be determined by the department  
30 ~~((of community, trade, and economic development))~~ in consultation with  
31 the RSVP directors association.

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

36 (c) Ten percent of the moneys may be used by the department ~~((of~~  
37 ~~community, trade, and economic development))~~ for administration,

1 monitoring of the grants, and providing technical assistance to the  
2 RSVP projects.

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

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

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

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

13 (i) Developing new roles for senior volunteers in nonprofit and  
14 public organizations with special emphasis on areas targeted in section  
15 1, chapter 65, Laws of 1992. The roles shall reflect the diversity of  
16 the local senior population and shall respect their life experiences;

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

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

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

24 **Sec. 118.** RCW 43.63A.400 and 1993 c 280 s 72 are each amended to  
25 read as follows:

26 The department (~~of community, trade, and economic development~~)  
27 shall distribute grants to eligible public radio and television  
28 broadcast stations under RCW 43.63A.410 and 43.63A.420 (as recodified  
29 by this act) to assist with programming, operations, and capital needs.

30 **Sec. 119.** RCW 43.63A.410 and 1993 c 280 s 73 are each amended to  
31 read as follows:

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

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

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

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

6 (a) Appropriations under this section shall be divided into a radio  
7 fund, which shall be twenty-five percent of the total appropriation  
8 under this section, and a television fund, which shall be seventy-five  
9 percent of the total appropriation under this section. Each of the two  
10 funds shall be divided into a base grant pool, which shall be fifty  
11 percent of the fund, and an incentive grant pool, which shall be the  
12 remaining fifty percent of the fund.

13 (b) Each eligible participating public radio station shall receive  
14 an equal share of the radio base grant pool, plus a share of the radio  
15 incentive grant pool equal to the proportion its nonfederal financial  
16 support bears to the sum of all participating radio stations'  
17 nonfederal financial support as most recently reported to the  
18 corporation for public broadcasting.

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

25 (3) Annual financial reports to the corporation for public  
26 broadcasting by eligible stations shall also be submitted by the  
27 stations to the department (~~of community, trade, and economic~~  
28 ~~development~~)).

29 **Sec. 120.** RCW 43.63A.440 and 1997 c 367 s 7 are each amended to  
30 read as follows:

31 The department (~~of community, trade, and economic development~~)  
32 shall provide technical and financial assistance to communities  
33 adversely impacted by reductions in timber harvested from federal,  
34 state, and private lands and reduction of salmon fishing caused by  
35 efforts to maintain the long-term viability of salmon stocks. The  
36 department shall use existing technical and financial assistance  
37 resources to aid communities in planning, implementing, and assembling  
38 financing for high priority community economic development projects.

1       **Sec. 121.** RCW 43.63A.460 and 1993 c 280 s 76 are each amended to  
2 read as follows:

3       (~~Beginning on July 1, 1991,~~) The department (~~of community,~~  
4 ~~trade, and economic development~~) shall be responsible for performing  
5 all the consumer complaint and related functions of the state  
6 administrative agency that are required for purposes of complying with  
7 the regulations established by the federal department of housing and  
8 urban development for manufactured housing, including the preparation  
9 and submission of the state administrative plan.

10       The department (~~of community, trade, and economic development~~)  
11 may enter into state or local interagency agreements to coordinate site  
12 inspection activities with record monitoring and complaint handling.  
13 The interagency agreement may also provide for the reimbursement for  
14 cost of work that an agency performs. The department may include other  
15 related areas in any interagency agreements which are necessary for the  
16 efficient provision of services.

17       (~~The department of labor and industries shall transfer all~~  
18 ~~records, files, books, and documents necessary for the department of~~  
19 ~~community, trade, and economic development to assume these new~~  
20 ~~functions.~~

21       ~~The directors of community, trade, and economic development and the~~  
22 ~~department of labor and industries shall immediately take such steps as~~  
23 ~~are necessary to ensure that this act is implemented on June 7, 1990.)~~

24       **Sec. 122.** RCW 43.63A.600 and 1995 c 226 s 12 are each amended to  
25 read as follows:

26       (1) The department (~~of community, trade, and economic~~  
27 ~~development~~), as a member of the agency rural community assistance  
28 task force shall establish and administer the emergency mortgage and  
29 rental assistance program. The department shall identify the  
30 communities most adversely affected by reductions in timber and salmon  
31 harvest levels and shall prioritize assistance under this program to  
32 these communities. The department shall work with the department of  
33 social and health services and the rural community assistance  
34 (~~recovery~~) coordinator to develop the program in rural natural  
35 resources impact areas. Organizations eligible to receive grant funds  
36 for distribution under the program are those organizations that are  
37 eligible to receive assistance through the Washington housing trust  
38 fund. The department shall disburse the funds to eligible local

1 organizations as grants. The local organizations shall use the funds  
2 to make grants or loans as specified in RCW 43.63A.600 through  
3 43.63A.640 (as recodified by this act). If funds are disbursed as  
4 loans, the local organization shall establish a revolving grant and  
5 loan fund with funds received as loan repayments and shall continue to  
6 make grants or loans or both grants and loans from funds received as  
7 loan repayments to dislocated forest products and dislocated salmon  
8 fishing workers eligible under the provisions of RCW 43.63A.600 through  
9 43.63A.640 (as recodified by this act) and to other persons residing in  
10 rural natural resources impact areas who meet the requirements of RCW  
11 43.63A.600 through 43.63A.640 (as recodified by this act).

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

13 (a) Provide temporary emergency mortgage loans or rental assistance  
14 grants or loans on behalf of dislocated forest products and dislocated  
15 salmon fishing workers in rural natural resources impact areas who are  
16 unable to make mortgage, property tax, or rental payments on their  
17 permanent residences and are subject to immediate eviction for  
18 nonpayment of mortgage installments, property taxes, or nonpayment of  
19 rent;

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

22 (c) Maintain economic and social stability in rural natural  
23 resources impact areas.

24 NEW SECTION. **Sec. 123.** A new section is added to chapter 43.330  
25 RCW to read as follows:

26 The department shall ensure that none of its rules or practices act  
27 to exclude recipients of temporary assistance for needy families from  
28 any small business loan opportunities or entrepreneurial assistance it  
29 makes available through its community development block grant program  
30 or otherwise provides using state or federal resources. The department  
31 shall encourage local administrators of microlending programs using  
32 community development block grant program funds to conduct outreach  
33 activities to encourage recipients of temporary assistance for needy  
34 families to explore self-employment as an option.

35 **Sec. 124.** RCW 43.330.152 and 1994 c 284 s 2 are each amended to  
36 read as follows:

1 In order to extend its services and programs, the department may  
2 charge reasonable fees for services and products provided in the areas  
3 of financial assistance, housing, (~~international trade,~~) community  
4 assistance, (~~economic development,~~) and other service delivery areas,  
5 except as otherwise provided. These fees are not intended to exceed  
6 the costs of providing the service or preparing and distributing the  
7 product.

8 **Sec. 125.** RCW 43.330.155 and 1994 c 284 s 4 are each amended to  
9 read as follows:

10 The community (~~and economic~~) development fee account is created  
11 in the state treasury. The department may create subaccounts as  
12 necessary. The account consists of all receipts from fees charged by  
13 the department under RCW 43.330.150(~~)~~ and 43.330.152(~~)~~  
14 43.210.110) (as recodified by this act). Expenditures from the  
15 account may be used only for the purposes of this chapter. Only the  
16 director or the director's designee may authorize expenditures from the  
17 account. Expenditures from the account may be spent only after  
18 appropriation.

19 **Sec. 126.** RCW 43.330.156 and 1994 c 284 s 8 are each amended to  
20 read as follows:

21 The fees authorized under RCW 43.330.150(~~)~~ and 43.330.152(~~)~~  
22 70.95H.040, and 43.210.110) (as recodified by this act) shall be  
23 adopted by rule pursuant to chapter 34.05 RCW.

24 The department shall develop a plan for charging these fees. The  
25 plan shall include a proposed schedule for rule making under this  
26 section and a projection of revenues from these fees. The initial plan  
27 shall be delivered to the legislature by September 1, 2000, and shall  
28 be updated every two years thereafter.

29 NEW SECTION. **Sec. 127.** A new section is added to chapter 43.330  
30 RCW to read as follows:

31 All references to the director or department of community, trade,  
32 and economic development in the Revised Code of Washington shall be  
33 construed to mean the director of community development or the  
34 department of community development.

1        NEW SECTION.    **Sec. 128.**    The following acts or parts of acts are  
2 each repealed:

3        (1) RCW 43.330.005 (Intent) and 1993 c 280 s 1;

4        (2) RCW 43.330.007 (Management responsibility) and 1993 c 280 s 2;

5        (3) RCW 43.330.010 (Definitions) and 1993 c 280 s 3; and

6        (4) RCW 43.330.900 (References to director and department) and 1993  
7 c 280 s 79.

8        NEW SECTION.    **Sec. 129.**    The following sections are each recodified  
9 as new sections in chapter 43.330 RCW:

10        RCW 43.31.855

11        RCW 43.31.857

12        RCW 43.63A.021

13        RCW 43.63A.066

14        RCW 43.63A.067

15        RCW 43.63A.105

16        RCW 43.63A.115

17        RCW 43.63A.125

18        RCW 43.63A.150

19        RCW 43.63A.155

20        RCW 43.63A.190

21        RCW 43.63A.215

22        RCW 43.63A.240

23        RCW 43.63A.245

24        RCW 43.63A.247

25        RCW 43.63A.249

26        RCW 43.63A.260

27        RCW 43.63A.265

28        RCW 43.63A.270

29        RCW 43.63A.275

30        RCW 43.63A.400

31        RCW 43.63A.410

32        RCW 43.63A.420

33        RCW 43.63A.440

34        RCW 43.63A.460

35        RCW 43.63A.465

36        RCW 43.63A.4651

37        RCW 43.63A.470

38        RCW 43.63A.475

1 RCW 43.63A.480  
2 RCW 43.63A.485  
3 RCW 43.63A.490  
4 RCW 43.63A.500  
5 RCW 43.63A.510  
6 RCW 43.63A.550  
7 RCW 43.63A.600  
8 RCW 43.63A.610  
9 RCW 43.63A.620  
10 RCW 43.63A.630  
11 RCW 43.63A.640  
12 RCW 43.63A.650  
13 RCW 43.63A.660  
14 RCW 43.63A.670  
15 RCW 43.63A.680  
16 RCW 43.63A.720  
17 RCW 43.63A.725  
18 RCW 43.63A.730  
19 RCW 43.63A.735  
20 RCW 43.63A.740  
21 RCW 43.63A.900  
22 RCW 43.63A.901  
23 RCW 43.63A.902  
24 RCW 43.63A.903

25 NEW SECTION. **Sec. 130.** The following sections are recodified in  
26 chapter 43.330 RCW near the end of the chapter:

27 RCW 43.330.152  
28 RCW 43.330.155  
29 RCW 43.330.156

30 NEW SECTION. **Sec. 131.** The code reviser shall insert notes  
31 following all sections containing references to the department of  
32 community, trade, and economic development indicating that this agency  
33 is now referred to as the department of community development.

34 **PART II**  
35 **DEPARTMENT OF TRADE AND ECONOMIC DEVELOPMENT**

1        NEW SECTION.    **Sec. 201.**    The department of trade and economic  
2 development is created. Except as provided in this act, the department  
3 shall be vested with all powers and duties formerly exercised by the  
4 prior department of trade and economic development, before its merger  
5 with the prior department of community development into the department  
6 of community, trade, and economic development by chapter 280, Laws of  
7 1993, and such other powers and duties as may be authorized by law.

8        NEW SECTION.    **Sec. 202.**    Unless the context clearly requires  
9 otherwise, the definitions in this section apply throughout this  
10 chapter.

11        (1) "Associate development organization" means a local economic  
12 development nonprofit corporation that is broadly representative of  
13 community interests.

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

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

18        NEW SECTION.    **Sec. 203.**    (1) The director shall supervise and  
19 administer the activities of the department and shall advise the  
20 governor and the legislature with respect to economic development  
21 matters affecting the state.

22        (2) In addition to other powers and duties granted to the director,  
23 the director shall have the following powers and duties:

24        (a) To enter into contracts on behalf of the state to carry out the  
25 purposes of this chapter;

26        (b) To act for the state in the initiation of or participation in  
27 any multigovernmental program relative to the purpose of this chapter;

28        (c) To accept and expend gifts and grants, whether such grants be  
29 of federal or other funds;

30        (d) To appoint a deputy director and assistant directors as may be  
31 needed to administer the department. These employees are exempt from  
32 the provisions of chapter 41.06 RCW;

33        (e) To prepare and submit budgets for the department for executive  
34 and legislative action;

35        (f) To submit recommendations for legislative actions as are deemed  
36 necessary to further the purposes of this chapter;

1 (g) To adopt rules in accordance with chapter 34.05 RCW and perform  
2 all other functions necessary and proper to carry out the purposes of  
3 this chapter;

4 (h) To delegate powers, duties, and functions as the director deems  
5 necessary for efficient administration, but the director shall be  
6 responsible for the official acts of the officers and employees of the  
7 department; and

8 (i) To perform other duties as are necessary and consistent with  
9 law.

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

13 (4) The director may request information and assistance from all  
14 other agencies, departments, and officials of the state, and may  
15 reimburse such agencies, departments, or officials if such a request  
16 imposes any additional expenses upon any such agency, department, or  
17 official.

18 (5) The director shall, in carrying out the responsibilities of  
19 office, consult with governmental officials, private groups, and  
20 individuals and with officials of other states. All state agencies and  
21 their officials and the officials of any political subdivision of the  
22 state shall cooperate with and give such assistance to the department,  
23 including the submission of requested information, to allow the  
24 department to carry out its purposes under this chapter.

25 (6) The director may establish additional advisory or coordinating  
26 groups with the legislature, within state government, with state and  
27 other governmental units, with the private sector and nonprofit  
28 entities or in specialized subject areas as may be necessary to carry  
29 out the purposes of this chapter.

30 (7) The internal affairs of the department shall be under the  
31 control of the director in order that the director may manage the  
32 department in a flexible and intelligent manner as dictated by changing  
33 contemporary circumstances. Unless specifically limited by law, the  
34 director shall have complete charge and supervisory powers over the  
35 department. The director may create such administrative structures as  
36 the director deems appropriate, except as otherwise specified by law,  
37 and the director may employ such personnel as may be necessary in  
38 accordance with chapter 41.06 RCW, except as otherwise provided by law.

1        NEW SECTION.    **Sec. 204.**    The department shall be responsible for  
2 promoting economic development within the state by assisting the  
3 state's communities to increase the quality of life and their economic  
4 vitality, while maintaining a quality environment.    Economic  
5 development efforts include, but are not limited to, efforts to  
6 increase economic opportunities, business and trade development,  
7 assisting firms and industrial sectors to increase their  
8 competitiveness, fostering the development of minority and women-owned  
9 businesses, and facilitating the development, transfer, and diffusion  
10 of technology.

11        NEW SECTION.    **Sec. 205.**    (1) The department shall work closely with  
12 local communities to increase their capacity to respond to economic  
13 problems and challenges.    The department shall coordinate the delivery  
14 of development services and related technical assistance to local  
15 communities or regional areas.    It shall promote partnerships between  
16 the public and private sectors and between state and local officials to  
17 encourage appropriate economic growth and opportunity in communities  
18 throughout the state and shall promote appropriate local economic  
19 development by supporting the ability of communities to develop and  
20 implement strategic development plans, assisting businesses to start  
21 up, maintain, or expand their operations, and expanding employment  
22 opportunities.

23        (2) The department shall define a set of services including related  
24 training and technical assistance that it will make available to local  
25 communities, community-based nonprofit organizations, regional areas,  
26 or businesses.    The department shall simplify access to these programs  
27 by providing more centralized and user-friendly information and  
28 referral.    The department shall coordinate economic development efforts  
29 to minimize program redundancy and maximize accessibility.    The  
30 department shall develop a set of criteria for targeting services to  
31 local communities.

32        (3) The department shall develop a coordinated and systematic  
33 approach to providing related training to community-based nonprofit  
34 organizations, local communities, and businesses.    The approach shall  
35 be designed to increase the economic development skills available in  
36 local communities by providing training and funding for training for  
37 local citizens, nonprofit organizations, and businesses.    The

1 department shall emphasize providing training in those communities most  
2 in need of state assistance.

3 **Sec. 206.** RCW 43.330.904 and 1996 c 186 s 101 are each amended to  
4 read as follows:

5 (1) All powers, duties, and functions of the state energy office  
6 relating to energy resource policy and planning and energy facility  
7 siting are transferred to the department (~~of community, trade, and~~  
8 ~~economic development~~). All references to the director or the state  
9 energy office in the Revised Code of Washington shall be construed to  
10 mean the director or the department (~~of community, trade, and economic~~  
11 ~~development~~) when referring to the functions transferred in this  
12 section.

13 The director shall appoint an assistant director for energy policy,  
14 and energy policy staff shall have no additional responsibilities  
15 beyond activities concerning energy policy.

16 (2)(a) All reports, documents, surveys, books, records, files,  
17 papers, or written material in the possession of the state energy  
18 office pertaining to the powers, functions, and duties transferred  
19 shall be delivered to the custody of the department (~~of community,~~  
20 ~~trade, and economic development~~). All cabinets, furniture, office  
21 equipment, software, data base, motor vehicles, and other tangible  
22 property employed by the state energy office in carrying out the  
23 powers, functions, and duties transferred shall be made available to  
24 the department (~~of community, trade, and economic development~~).

25 (b) Any appropriations made to the state energy office for carrying  
26 out the powers, functions, and duties transferred (~~shall, on July 1,~~  
27 ~~1996, be~~) are transferred and credited to the department (~~of~~  
28 ~~community, trade, and economic development~~).

29 (c) Whenever any question arises as to the transfer of any funds,  
30 books, documents, records, papers, files, software, data base,  
31 equipment, or other tangible property used or held in the exercise of  
32 the powers and the performance of the duties and functions transferred,  
33 the director of financial management shall make a determination as to  
34 the proper allocation and certify the same to the state agencies  
35 concerned.

36 (3) All employees of the state energy office engaged in performing  
37 the powers, functions, and duties pertaining to the energy facility  
38 site evaluation council are transferred to the jurisdiction of the

1 department (~~of community, trade, and economic development~~). All  
2 employees engaged in energy facility site evaluation council duties  
3 classified under chapter 41.06 RCW, the state civil service law, are  
4 assigned to the department (~~of community, trade, and economic~~  
5 ~~development~~) to perform their usual duties upon the same terms as  
6 formerly, without any loss of rights, subject to any action that may be  
7 appropriate thereafter in accordance with the laws and rules governing  
8 state civil service.

9 (4) All rules and all pending business before the state energy  
10 office pertaining to the powers, functions, and duties transferred  
11 shall be continued and acted upon by the department (~~of community,~~  
12 ~~trade, and economic development~~). All existing contracts and  
13 obligations shall remain in full force and shall be performed by the  
14 department (~~of community, trade, and economic development~~).

15 (5) The transfer of the powers, duties, and functions of the state  
16 energy office does not affect the validity of any act performed before  
17 July 1, 1996.

18 (6) If apportionments of budgeted funds are required because of the  
19 transfers directed by this section, the director of the office of  
20 financial management shall certify the apportionments to the agencies  
21 affected, the state auditor, and the state treasurer. Each of these  
22 shall make the appropriate transfer and adjustments in funds and  
23 appropriation.

24 (7) The department (~~of community, trade, and economic~~  
25 ~~development~~) shall direct the closure of the financial records of the  
26 state energy office.

27 (8) Responsibility for implementing energy education, applied  
28 research, and technology transfer programs rests with Washington State  
29 University. The department (~~of community, trade, and economic~~  
30 ~~development~~) shall provide Washington State University available  
31 existing and future oil overcharge restitution and federal energy block  
32 funding for a minimum period of five years to carry out energy programs  
33 under an interagency agreement with the department (~~of community,~~  
34 ~~trade, and economic development~~). The interagency agreement shall  
35 also outline the working relationship between the department (~~of~~  
36 ~~community, trade, and economic development~~) and Washington State  
37 University as it pertains to the relationship between energy policy  
38 development and public outreach. Nothing in chapter 186, Laws of 1996  
39 prohibits Washington State University from seeking grant, contract, or

1 fee-for-service funding for energy or related programs directly from  
2 other entities.

3 **Sec. 207.** RCW 43.63A.230 and 1993 c 280 s 63 are each amended to  
4 read as follows:

5 (1) The department (~~(of community, trade, and economic~~  
6 ~~development))~~) shall integrate an employee ownership program within its  
7 existing technical assistance programs. The employee ownership program  
8 shall provide technical assistance to cooperatives authorized under  
9 chapter 23.78 RCW and conduct educational programs on employee  
10 ownership and self-management. The department shall include  
11 information on the option of employee ownership wherever appropriate in  
12 its various programs.

13 (2) The department shall maintain a list of firms and individuals  
14 with expertise in the field of employee ownership and utilize such  
15 firms and individuals, as appropriate, in delivering and coordinating  
16 the delivery of technical, managerial, and educational services. In  
17 addition, the department shall work with and rely on the services of  
18 the department of community development, the employment security  
19 department, and state institutions of higher education to promote  
20 employee ownership.

21 (3) The department shall report to the governor, the appropriate  
22 economic development committees of the senate and the house of  
23 representatives, and the ways and means committees of each house by  
24 December 1<sup>st</sup> of (~~(1988, and))~~) each year (~~(thereafter,)~~) on the  
25 accomplishments of the employee-ownership program. Such reports shall  
26 include the number and types of firms assisted, the number of jobs  
27 created by such firms, the types of services, the number of workshops  
28 presented, the number of employees trained, and the results of client  
29 satisfaction surveys distributed to those using the services of the  
30 program.

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

34 **Sec. 208.** RCW 43.330.065 and 1996 c 253 s 303 are each amended to  
35 read as follows:

36 The department (~~(of community, trade, and economic development))~~),  
37 in consultation with the office of protocol, the office of the

1 secretary of state, the department of agriculture, and the employment  
2 security department shall identify up to fifteen countries that are of  
3 strategic importance to the development of Washington's international  
4 trade relations.

5 **Sec. 209.** RCW 43.330.080 and 1997 c 60 s 1 are each amended to  
6 read as follows:

7 (1) The department shall contract with associate development  
8 organizations or other local organizations to increase the support for  
9 and coordination of (~~community and~~) economic development services in  
10 communities or regional areas. The organizations contracted with in  
11 each community or regional area shall be broadly representative of  
12 community and economic interests. The organization shall be capable of  
13 identifying key economic (~~and community~~) development problems,  
14 developing appropriate solutions, and mobilizing broad support for  
15 recommended initiatives. The contracting organization shall work with  
16 and include local governments, local chambers of commerce, private  
17 industry councils, port districts, labor groups, institutions of higher  
18 education, community action programs, and other appropriate private,  
19 public, or nonprofit (~~community and~~) economic development groups.  
20 The department shall be responsible for determining the scope of  
21 services delivered under these contracts.

22 (2) Associate development organizations or other local development  
23 organizations contracted with shall promote and coordinate, through  
24 local service agreements with local governments, small business  
25 development centers, port districts, community and technical colleges,  
26 private industry councils, and other development organizations, for the  
27 efficient delivery of (~~community and~~) economic development services  
28 in their areas.

29 (3) The department shall consult with associate development  
30 organizations, port districts, local governments, and other local  
31 development organizations in the establishment of service delivery  
32 regions throughout the state. The legislature encourages local  
33 associate development organizations to form partnerships with other  
34 associate development organizations in their region to combine  
35 resources for better access to available services, to encourage  
36 regional delivery of state services, and to build the local capacity of  
37 communities in the region more effectively.

1 (4) The department shall contract on a regional basis for surveys  
2 of key sectors of the regional economy and the coordination of  
3 technical assistance to businesses and employees within the key  
4 sectors. The department's selection of contracting organizations or  
5 consortiums shall be based on the sufficiency of the organization's or  
6 consortium's proposal to examine key sectors of the local economy  
7 within its region adequately and its ability to coordinate the delivery  
8 of services required by businesses within the targeted sectors.  
9 Organizations contracting with the department shall work closely with  
10 the department to examine the local economy and to develop strategies  
11 to focus on developing key sectors that show potential for long-term  
12 sustainable growth. The contracting organization shall survey  
13 businesses and employees in targeted sectors on a periodic basis to  
14 gather information on the sector's business needs, expansion plans,  
15 relocation decisions, training needs, potential layoffs, financing  
16 needs, availability of financing, and other appropriate information  
17 about economic trends and specific employer and employee needs in the  
18 region.

19 (5) The contracting organization shall participate with the work  
20 force training and education coordinating board as created in chapter  
21 28C.18 RCW, and any regional entities designated by that board, in  
22 providing for the coordination of job skills training within its  
23 region.

24 **Sec. 210.** RCW 43.330.145 and 1997 c 58 s 323 are each amended to  
25 read as follows:

26 (1) The department shall ensure that none of its rules or practices  
27 act to exclude recipients of temporary assistance for needy families  
28 from any small business loan opportunities or entrepreneurial  
29 assistance it (~~((makes available through its community development block  
30 grant program or otherwise))~~) provides using state or federal resources.  
31 The department shall encourage local administrators of microlending  
32 programs using public funds to conduct outreach activities to encourage  
33 recipients of temporary assistance for needy families to explore self-  
34 employment as an option. The department shall compile information on  
35 private and public sources of entrepreneurial assistance and loans for  
36 start-up businesses and provide the department of social and health  
37 services with the information for dissemination to recipients of  
38 temporary assistance for needy families.

1 (2) The department shall, as part of its industrial recruitment  
2 efforts, work with the work force training and education coordinating  
3 board to identify the skill sets needed by companies locating in the  
4 state. The department shall provide the department of social and  
5 health services with the information about the companies' needs in  
6 order that recipients of public assistance and service providers  
7 assisting such recipients through training and placement programs may  
8 be informed and respond accordingly. The department shall work with  
9 the state board for community and technical colleges, the job skills  
10 program, the employment security department, and other employment and  
11 training programs to facilitate the inclusion of recipients of  
12 temporary assistance for needy families in relevant training that would  
13 make them good employees for recruited firms.

14 (3) The department shall perform the duties under this section  
15 within available funds.

16 **Sec. 211.** RCW 43.31.057 and 1993 c 280 s 39 are each amended to  
17 read as follows:

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

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

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

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

32 (4) In carrying out these powers and duties the department shall  
33 cooperate and coordinate with other agencies of government and the  
34 private sector.

35 **Sec. 212.** RCW 43.31.093 and 1995 c 399 s 71 are each amended to  
36 read as follows:

1       The department (~~of community, trade, and economic development~~)  
2 shall contract with public and private agencies, institutions, and  
3 organizations to conduct entrepreneurial training courses for minority  
4 and women-owned small businesses. The instruction shall be intensive,  
5 practical training courses in financing, marketing, managing,  
6 accounting, and recordkeeping for a small business, with an emphasis on  
7 federal, state, local, or private programs available to assist small  
8 businesses. The (~~business assistance center~~) department may  
9 recommend professional instructors, with practical knowledge and  
10 experience on how to start and operate a business, to teach the  
11 courses. Instruction shall be offered in major population centers  
12 throughout the state at times and locations which are convenient for  
13 minority and women small business owners and entrepreneurs.

14       **Sec. 213.** RCW 43.31.205 and 1993 c 280 s 41 are each amended to  
15 read as follows:

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

26       **Sec. 214.** RCW 43.31.409 and 1993 c 280 s 42 are each amended to  
27 read as follows:

28       (~~There is created in the business assistance center of the~~  
29 ~~department of community, trade, and economic development~~) The  
30 Washington investment opportunities office is created in the  
31 department.

32       **Sec. 215.** RCW 43.31.422 and 1998 c 76 s 1 are each amended to read  
33 as follows:

34       The Hanford area economic investment fund is established in the  
35 custody of the state treasurer. Moneys in the fund shall only be used  
36 for reasonable assistant attorney general costs in support of the

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

18 **Sec. 216.** RCW 43.31.504 and 1993 c 280 s 45 are each amended to  
19 read as follows:

20 The child care facility fund committee is established within the  
21 (~~(business assistance center of the)~~) department (~~(of community, trade,~~  
22 ~~and economic development)~~). The committee shall administer the child  
23 care facility fund, with review by the director (~~(of community, trade,~~  
24 ~~and economic development)~~).

25 (1) The committee shall have five members. The director of  
26 community, trade, and economic development shall appoint the members,  
27 who shall include:

28 (a) Two persons experienced in investment finance and having skills  
29 in providing capital to new businesses, in starting and operating  
30 businesses, and providing professional services to small or expanding  
31 businesses;

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

34 (c) One child care services expert; and

35 (d) One early childhood development expert.

36 In making these appointments, the director shall give careful  
37 consideration to ensure that the various geographic regions of the  
38 state are represented and that members will be available for meetings

1 and are committed to working cooperatively to address child care needs  
2 in Washington state.

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

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

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

17 **Sec. 217.** RCW 43.31.522 and 1993 c 280 s 46 are each amended to  
18 read as follows:

19 (~~Unless the context clearly requires otherwise, the definitions in~~  
20 ~~this section apply throughout~~) As used in RCW 43.31.524 and  
21 43.31.526(~~(~~

22 ~~(1) "Department" means the department of community, trade, and~~  
23 ~~economic development.~~

24 ~~(2) "Center" means the business assistance center established under~~  
25 ~~RCW 43.31.083.~~

26 ~~(3) "Director" means the director of community, trade, and economic~~  
27 ~~development.~~

28 ~~(4))~~ "local nonprofit organization" means a local nonprofit  
29 organization organized to provide economic development or community  
30 development services, including but not limited to associate  
31 development organizations, economic development councils, and community  
32 development corporations.

33 **Sec. 218.** RCW 43.31.524 and 1993 c 280 s 47 are each amended to  
34 read as follows:

35 There is established a Washington marketplace program within the  
36 (~~business assistance center established under RCW 43.31.083~~)  
37 department. The program shall assist businesses to competitively meet

1 their needs for goods and services within Washington state by providing  
2 information relating to the replacement of imports or the fulfillment  
3 of new requirements with Washington products produced in Washington  
4 state. The program shall place special emphasis on strengthening rural  
5 economies in economically distressed areas of the state meeting the  
6 criteria of an "eligible area" as defined in RCW 82.60.020(3).

7 **Sec. 219.** RCW 43.31.641 and 1997 c 367 s 6 are each amended to  
8 read as follows:

9 The department (~~(of community, trade, and economic development)~~),  
10 as a member of the agency rural community assistance task force, shall:

11 (1) Administer available federal grant funds to support strategic  
12 diversification needs and opportunities of timber-dependent  
13 communities, value-added forest products firms, and the value-added  
14 forest products industry in Washington state.

15 (2) Provide value-added wood products companies with building  
16 products export development assistance.

17 **Sec. 220.** RCW 43.31.830 and 1993 c 280 s 53 are each amended to  
18 read as follows:

19 (1) It shall be the duty of the director (~~(of community, trade, and~~  
20 ~~economic development)~~) to certify, from the applications received, the  
21 state international trade fair or fairs qualified and entitled to  
22 receive funds under RCW (~~(67.16.100)~~) 15.76.115, and under rules  
23 established by the director.

24 (2) The director shall make annual allotments to state  
25 international trade fairs determined qualified to be entitled to  
26 participate in the state trade fair fund and shall fix times for the  
27 division of and payment from the state trade fair fund: PROVIDED, That  
28 total payment to any one state international trade fair shall not  
29 exceed sixty thousand dollars in any one year, where participation or  
30 presentation occurs within the United States, and eighty thousand  
31 dollars in any one year, where participation or presentation occurs  
32 outside the United States: PROVIDED FURTHER, That a state  
33 international trade fair may qualify for the full allotment of funds  
34 under either category. Upon certification of the allotment and  
35 division of fair funds by the director the treasurer shall proceed to  
36 pay the same to carry out the purposes of RCW 67.16.100.

1       **Sec. 221.** RCW 43.31.840 and 1993 c 280 s 54 are each amended to  
2 read as follows:

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

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

15       **Sec. 222.** RCW 43.63A.700 and 1994 sp.s. c 7 s 702 are each amended  
16 to read as follows:

17       (1) The department, in cooperation with the department of revenue,  
18 the employment security department, and the office of financial  
19 management, shall approve applications submitted by local governments  
20 for designation as a community empowerment zone under this section.  
21 The application shall be in the form and manner and contain such  
22 information as the department may prescribe, provided that the  
23 application for designation shall:

24       (a) Contain information sufficient for the director to determine if  
25 the criteria established in RCW 43.63A.710 have been met.

26       (b) Be submitted on behalf of the local government by its chief  
27 elected official, or, if none, by the governing body of the local  
28 government.

29       (c) Contain a five-year community empowerment plan that describes  
30 the proposed designated community empowerment zone's community  
31 development needs and present a strategy for meeting those needs. The  
32 plan shall address the following categories: Housing needs; public  
33 infrastructure needs, such as transportation, water, sanitation,  
34 energy, and drainage/flood control; other public facilities needs, such  
35 as neighborhood facilities or facilities for provision of health,  
36 education, recreation, public safety, or other services; community  
37 economic development needs, such as commercial/industrial  
38 revitalization, job creation and retention considering the unemployment

1 and underemployment of area residents, accessibility to financial  
2 resources by area residents and businesses, investment within the area,  
3 or other related components of community economic development; and  
4 social service needs.

5 The local government is required to provide a description of its  
6 strategy for meeting the needs identified in this subsection (1)(c).  
7 As part of the strategy, the local government is required to identify  
8 the needs for which specific plans are currently in place and the  
9 source of funds expected to be used. For the balance of the area's  
10 needs, the local government must identify the source of funds expected  
11 to become available during the next two-year period and actions the  
12 local government will take to acquire those funds.

13 (d) Certify that neighborhood residents were given the opportunity  
14 to participate in the development of the five-year community  
15 empowerment strategy required under (c) of this subsection.

16 (2) No local government shall submit more than two neighborhoods to  
17 the department for possible designation as a designated community  
18 empowerment zone under this section.

19 (3)(a)(i) Within ninety days after January 1, 1994, the director  
20 may designate up to six designated community empowerment zones from  
21 among the applications eligible for designation as a designated  
22 community empowerment zone.

23 (ii) After July 1, 1999, the director may designate up to an  
24 additional three community empowerment zones from applications  
25 submitted for designation as a community empowerment zone. The  
26 director shall designate at least one of the community zones in a  
27 county that is (A) located east of the crest of the Cascade mountains;  
28 and (B) classified as a metropolitan statistical area, as determined by  
29 the office of financial management.

30 (b) The director shall make determinations of designated community  
31 empowerment zones on the basis of the following factors:

32 (i) The strength and quality of the local government commitments to  
33 meet the needs identified in the five-year community empowerment plan  
34 required under this section.

35 (ii) The level of private commitments by private entities of  
36 additional resources and contribution to the designated community  
37 empowerment zone.

38 (iii) The potential for revitalization of the area as a result of  
39 designation as a designated community empowerment zone.

1 (iv) Other factors the director deems necessary.

2 (c) The determination of the director as to the areas designated as  
3 community empowerment zones shall be final.

4 **Sec. 223.** RCW 43.31.960 and 1995 c 399 s 72 are each amended to  
5 read as follows:

6 The principal proceeds from the sale of the bonds authorized in RCW  
7 43.31.956 shall be administered by the director (~~(of community, trade,~~  
8 ~~and economic development)~~).

9 NEW SECTION. **Sec. 224.** The department may charge reasonable fees  
10 to cover costs for conferences, workshops, and training purposes and to  
11 expend those fees for the purposes for which they were collected.

12 NEW SECTION. **Sec. 225.** In order to extend its services and  
13 programs, the department may charge reasonable fees for services and  
14 products provided in the areas of financial assistance, international  
15 trade, economic development, and other service delivery areas, except  
16 as otherwise provided. These fees are not intended to exceed the costs  
17 of providing the service or preparing and distributing the product.

18 NEW SECTION. **Sec. 226.** The economic development fee account is  
19 created in the state treasury. The department may create subaccounts  
20 as necessary. The account consists of all receipts from fees charged  
21 by the department under sections 224 and 225 of this act. Expenditures  
22 from the account may be used only for the purposes of this chapter.  
23 Only the director or the director's designee may authorize expenditures  
24 from the account. Expenditures from the account may be spent only  
25 after appropriation.

26 NEW SECTION. **Sec. 227.** The fees authorized under sections 224 and  
27 225 of this act, and RCW 70.95H.040 shall be adopted by rule pursuant  
28 to chapter 34.05 RCW.

29 The department shall develop a plan for charging these fees. The  
30 plan shall include a proposed schedule for rule making under this  
31 section and a projection of revenues from these fees. The initial plan  
32 shall be delivered to the legislature by September 1, 2000, and shall  
33 be updated every two years thereafter.



1 (2) (~~After August 1, 1991,~~) Any agency to which subsection (1) of  
2 this section applies shall, with regard to any permits or other actions  
3 that are necessary for economic development in rural natural resources  
4 impact areas, as defined in RCW 43.31.601, respond to any completed  
5 application within forty-five days of its receipt; any response, at a  
6 minimum, shall include:

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

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

11 (3) The agency rural community assistance task force established in  
12 RCW 43.31.621 shall oversee implementation of this section.

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

15 **Sec. 302.** RCW 19.02.050 and 1997 c 391 s 11 are each amended to  
16 read as follows:

17 The legislature hereby directs the full participation by the  
18 following agencies in the implementation of this chapter:

19 (1) Department of agriculture;

20 (2) Secretary of state;

21 (3) Department of social and health services;

22 (4) Department of revenue;

23 (5) Department of fish and wildlife;

24 (6) Department of employment security;

25 (7) Department of labor and industries;

26 (8) Department of (~~community,~~) trade(~~,~~) and economic  
27 development;

28 (9) Liquor control board;

29 (10) Department of health;

30 (11) Department of licensing;

31 (12) Parks and recreation commission;

32 (13) Utilities and transportation commission; and

33 (14) Other agencies as determined by the governor.

34 **Sec. 303.** RCW 24.46.010 and 1995 c 399 s 12 are each amended to  
35 read as follows:

36 It is the finding of the legislature that foreign trade zones serve  
37 an important public purpose by the creation of employment opportunities

1 within the state and that the establishment of zones designed to  
2 accomplish this purpose is to be encouraged. It is the further intent  
3 of the legislature that the department of ((community<sub>7</sub>)) trade((<sub>7</sub>)) and  
4 economic development provide assistance to entities planning to apply  
5 to the United States for permission to establish such zones.

6 **Sec. 304.** RCW 28B.20.283 and 1995 c 399 s 25 are each amended to  
7 read as follows:

8 The legislature finds that the development and commercialization of  
9 new technology is a vital part of economic development.

10 The legislature also finds that it is in the interests of the state  
11 of Washington to provide a mechanism to transfer and apply research and  
12 technology developed at the institutions of higher education to the  
13 private sector in order to create new products and technologies which  
14 provide job opportunities in advanced technology for the citizens of  
15 this state.

16 It is the intent of the legislature that the University of  
17 Washington, the Washington State University, and the department of  
18 ((community<sub>7</sub>)) trade((<sub>7</sub>)) and economic development work cooperatively  
19 with the private sector in the development and implementation of a  
20 world class technology transfer program.

21 **Sec. 305.** RCW 28B.20.289 and 1995 c 399 s 26 are each amended to  
22 read as follows:

23 (1) The technology center shall be administered by the board of  
24 directors of the technology center.

25 (2) The board shall consist of the following members: Fourteen  
26 members from among individuals who are associated with or employed by  
27 technology-based industries and have broad business experience and an  
28 understanding of high technology; eight members from the state's  
29 universities with graduate science and engineering programs; the  
30 executive director of the Spokane Intercollegiate Research and  
31 Technology Institute or his or her designated representative; the  
32 provost of the University of Washington or his or her designated  
33 representative; the provost of the Washington State University or his  
34 or her designated representative; and the director of the department of  
35 ((community<sub>7</sub>)) trade((<sub>7</sub>)) and economic development or his or her  
36 designated representative. The term of office for each board member,  
37 excluding the executive director of the Spokane Intercollegiate

1 Research and Technology Institute, the provost of the University of  
2 Washington, the provost of the Washington State University, and the  
3 director of the department of ((community,)) trade((,)) and economic  
4 development, shall be three years. The executive director of the  
5 technology center shall be an ex officio, nonvoting member of the  
6 board. The board shall meet at least quarterly. Board members shall  
7 be appointed by the governor based on the recommendations of the  
8 existing board of the technology center, and the research universities.  
9 The governor shall stagger the terms of the first group of appointees  
10 to ensure the long term continuity of the board.

11 (3) The duties of the board include:

12 (a) Developing the general operating policies for the technology  
13 center;

14 (b) Appointing the executive director of the technology center;

15 (c) Approving the annual operating budget of the technology center;

16 (d) Establishing priorities for the selection and funding of  
17 research projects that guarantee the greatest potential return on the  
18 state's investment;

19 (e) Approving and allocating funding for research projects  
20 conducted by the technology center, based on the recommendations of the  
21 advisory committees for each of the research centers;

22 (f) In cooperation with the department of ((community,)) trade((,))  
23 and economic development, developing a biennial work plan and five-year  
24 strategic plan for the technology center that are consistent with the  
25 state-wide technology development and commercialization goals;

26 (g) Coordinating with the University of Washington, Washington  
27 State University, and other participating institutions of higher  
28 education in the development of training, research, and development  
29 programs to be conducted at the technology center that shall be  
30 targeted to meet industrial needs;

31 (h) Assisting the department of ((community,)) trade((,)) and  
32 economic development in the department's efforts to develop state  
33 science and technology public policies and coordinate publicly funded  
34 programs;

35 (i) Reviewing annual progress reports on funded research projects  
36 that are prepared by the advisory committees for each of the research  
37 centers;

38 (j) Providing an annual report to the governor and the legislature  
39 detailing the activities and performance of the technology center; and

1 (k) Submitting annually to the department of community, trade, and  
2 economic development an updated strategic plan and a statement of  
3 performance measured against the mission, roles, and contractual  
4 obligations of the technology center.

5 **Sec. 306.** RCW 28B.20.293 and 1995 c 399 s 27 are each amended to  
6 read as follows:

7 The department of ((community,)) trade((,)) and economic  
8 development shall contract with the University of Washington for the  
9 expenditure of state-appropriated funds for the operation of the  
10 Washington technology center. The department of ((community,))  
11 trade((,)) and economic development shall provide guidance to the  
12 technology center regarding expenditure of state-appropriated funds and  
13 the development of the center's strategic plan. The director of the  
14 department of ((community,)) trade((,)) and economic development shall  
15 not withhold funds appropriated for the technology center if the  
16 technology center complies with the provisions of its contract with the  
17 department of ((community,)) trade((,)) and economic development. The  
18 department shall be responsible to the legislature for the contractual  
19 performance of the center.

20 **Sec. 307.** RCW 28B.30.537 and 1998 c 245 s 20 are each amended to  
21 read as follows:

22 The IMPACT center shall:

23 (1) Coordinate the teaching, research, and extension expertise of  
24 the college of agriculture and home economics at Washington State  
25 University to assist in:

26 (a) The design and development of information and strategies to  
27 expand the long-term international markets for Washington agricultural  
28 products; and

29 (b) The dissemination of such information and strategies to  
30 Washington exporters, overseas users, and public and private trade  
31 organizations;

32 (2) Research and identify current impediments to increased exports  
33 of Washington agricultural products, and determine methods of  
34 surmounting those impediments and opportunities for exporting new  
35 agricultural products and commodities to foreign markets;

1 (3) Prepare curricula to present and distribute information  
2 concerning international trade in agricultural commodities and products  
3 to students, exporters, international traders, and the public;

4 (4) Provide high-quality research and graduate education and  
5 professional nondegree training in international trade in agricultural  
6 commodities in cooperation with other existing programs;

7 (5) Ensure that activities of the center adequately reflect the  
8 objectives for the state's agricultural market development programs  
9 established by the department of agriculture as the lead state agency  
10 for such programs under chapter 43.23 RCW; and

11 (6) Link itself through cooperative agreements with the center for  
12 international trade in forest products at the University of Washington,  
13 the state department of agriculture, the department of ((community,))  
14 trade((,)) and economic development, Washington's agriculture  
15 businesses and associations, and other state agency data collection,  
16 processing, and dissemination efforts.

17 **Sec. 308.** RCW 28B.50.262 and 1995 c 226 s 19 are each amended to  
18 read as follows:

19 The state board for community and technical colleges shall develop,  
20 in conjunction with the center for international trade in forest  
21 products, the Washington State University wood materials and  
22 engineering laboratory, and the department of ((community,)) trade((,))  
23 and economic development, a competency-based technical degree program  
24 in wood product manufacturing and wood technology and make it available  
25 in every college district that serves a rural natural resources impact  
26 area.

27 **Sec. 309.** RCW 28B.65.040 and 1995 c 399 s 29 are each amended to  
28 read as follows:

29 (1) The Washington high-technology coordinating board is hereby  
30 created.

31 (2) The board shall be composed of eighteen members as follows:

32 (a) Eleven shall be citizen members appointed by the governor, with  
33 the consent of the senate, for four-year terms. In making the  
34 appointments the governor shall ensure that a balanced geographic  
35 representation of the state is achieved and shall attempt to choose  
36 persons experienced in high-technology fields, including at least one  
37 representative of labor. Any person appointed to fill a vacancy

1 occurring before a term expires shall be appointed only for the  
2 remainder of that term; and

3 (b) Seven of the members shall be as follows: One representative  
4 from each of the state's two research universities, one representative  
5 of the state college and regional universities, the director for the  
6 state system of community and technical colleges or the director's  
7 designee, the superintendent of public instruction or the  
8 superintendent's designee, a representative of the higher education  
9 coordinating board, and the director of the department of  
10 ((community,)) trade((,)) and economic development or the director's  
11 designee.

12 (3) Members of the board shall not receive any salary for their  
13 services, but shall be reimbursed for travel expenses under RCW  
14 43.03.050 and 43.03.060 for each day actually spent in attending to  
15 duties as a member of the board.

16 (4) A citizen member of the board shall not be, during the term of  
17 office, a member of the governing board of any public or private  
18 educational institution, or an employee of any state or local agency.

19 **Sec. 310.** RCW 28B.65.050 and 1998 c 245 s 22 are each amended to  
20 read as follows:

21 (1) The board shall oversee, coordinate, and evaluate the high-  
22 technology programs.

23 (2) The board shall:

24 (a) Determine the specific high-technology occupational fields in  
25 which technical training is needed and advise the institutions of  
26 higher education and the higher education coordinating board on their  
27 findings;

28 (b) Identify economic areas and high-technology industries in need  
29 of technical training and research and development critical to economic  
30 development and advise the institutions of higher education and the  
31 higher education coordinating board on their findings;

32 (c) Oversee and coordinate the Washington high-technology education  
33 and training program to ensure high standards, efficiency, and  
34 effectiveness;

35 (d) Work cooperatively with the superintendent of public  
36 instruction to identify the skills prerequisite to the high-technology  
37 programs in the institutions of higher education;

1 (e) Work cooperatively with and provide any information or advice  
2 which may be requested by the higher education coordinating board  
3 during the board's review of new baccalaureate degree program proposals  
4 which are submitted under this chapter. Nothing in this chapter shall  
5 be construed as altering or superseding the powers or prerogatives of  
6 the higher education coordinating board over the review of new degree  
7 programs as established in (~~section 6(2) of this 1985 act~~) RCW  
8 28B.80.340;

9 (f) Work cooperatively with the department of (~~community,~~)  
10 trade(~~(7)~~) and economic development to identify the high-technology  
11 education and training needs of existing Washington businesses and  
12 businesses with the potential to locate in Washington;

13 (g) Work towards increasing private sector participation and  
14 contributions in Washington high-technology programs;

15 (h) Identify and evaluate the effectiveness of state sponsored  
16 research related to high technology; and

17 (i) Establish and maintain a plan, including priorities, to guide  
18 high-technology program development in public institutions of higher  
19 education, which plan shall include an assessment of current high-  
20 technology programs, steps to increase existing programs, new  
21 initiatives and programs necessary to promote high technology, and  
22 methods to coordinate and target high-technology programs to changing  
23 market opportunities in business and industry.

24 (3) The board may adopt rules under chapter 34.05 RCW as it deems  
25 necessary to carry out the purposes of this chapter.

26 (4) The board shall cease to exist on June 30, 1987, unless  
27 extended by law for an additional fixed period of time.

28 **Sec. 311.** RCW 28B.65.060 and 1995 c 399 s 31 are each amended to  
29 read as follows:

30 Staff support for the high-technology coordinating board shall be  
31 provided by the department of (~~community,~~) trade(~~(7)~~) and economic  
32 development.

33 **Sec. 312.** RCW 28B.109.020 and 1996 c 253 s 402 are each amended to  
34 read as follows:

35 The Washington international exchange scholarship program is  
36 created subject to funding under RCW 28B.109.060. The program shall be

1 administered by the board. In administering the program, the board  
2 may:

3 (1) Convene an advisory committee that may include but need not be  
4 limited to representatives of the office of the superintendent of  
5 public instruction, the department of ((community,)) trade((,)) and  
6 economic development, the secretary of state, private business, and  
7 institutions of higher education;

8 (2) Select students to receive the scholarship with the assistance  
9 of a screening committee composed of leaders in business, international  
10 trade, and education;

11 (3) Adopt necessary rules and guidelines including rules for  
12 disbursing scholarship funds to participants;

13 (4) Publicize the program;

14 (5) Solicit and accept grants and donations from public and private  
15 sources for the program;

16 (6) Establish and notify participants of service obligations; and

17 (7) Establish a formula for selecting the countries from which  
18 participants may be selected in consultation with the department of  
19 ((community,)) trade((,)) and economic development.

20 **Sec. 313.** RCW 28C.04.440 and 1995 c 399 s 32 are each amended to  
21 read as follows:

22 The department of ((community,)) trade((,)) and economic  
23 development and the employment security department shall each enter  
24 into an interagency agreement with the commission on vocational  
25 education to establish cooperative working arrangements for the  
26 purposes of RCW 28C.04.410 through 28C.04.480.

27 **Sec. 314.** RCW 28C.04.460 and 1995 c 399 s 33 are each amended to  
28 read as follows:

29 The department of ((community,)) trade((,)) and economic  
30 development or its successor shall for the purposes of RCW 28C.04.410  
31 through 28C.04.480:

32 (1) Work cooperatively with the commission on vocational education  
33 to market the job skills program to business and economic development  
34 agencies and other firms;

35 (2) Recruit industries from outside the state to participate in the  
36 job skills training program; and

1 (3) Refer business and industry interested in developing a job  
2 skills training program to the commission on vocational education.

3 **Sec. 315.** RCW 28C.18.060 and 1996 c 99 s 4 are each amended to  
4 read as follows:

5 The board, in cooperation with the operating agencies of the state  
6 training system and private career schools and colleges shall:

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

10 (2) Advocate for the state training system and for meeting the  
11 needs of employers and the work force for work force education and  
12 training.

13 (3) Establish and maintain an inventory of the programs of the  
14 state training system, and related state programs, and perform a  
15 biennial assessment of the vocational education, training, and adult  
16 basic education and literacy needs of the state; identify ongoing and  
17 strategic education needs; and assess the extent to which employment,  
18 training, vocational and basic education, rehabilitation services, and  
19 public assistance services represent a consistent, integrated approach  
20 to meet such needs.

21 (4) Develop and maintain a state comprehensive plan for work force  
22 training and education, including but not limited to, goals,  
23 objectives, and priorities for the state training system, and review  
24 the state training system for consistency with the state comprehensive  
25 plan. In developing the state comprehensive plan for work force  
26 training and education, the board shall use, but shall not be limited  
27 to: Economic, labor market, and populations trends reports in office  
28 of financial management forecasts; joint office of financial management  
29 and employment security department labor force, industry employment,  
30 and occupational forecasts; the results of scientifically based  
31 outcome, net-impact and cost-benefit evaluations; the needs of  
32 employers as evidenced in formal employer surveys and other employer  
33 input; and the needs of program participants and workers as evidenced  
34 in formal surveys and other input from program participants and the  
35 labor community.

36 (5) In consultation with the higher education coordinating board,  
37 review and make recommendations to the office of financial management  
38 and the legislature on operating and capital facilities budget requests

1 for operating agencies of the state training system for purposes of  
2 consistency with the state comprehensive plan for work force training  
3 and education.

4 (6) Provide for coordination among the different operating agencies  
5 and components of the state training system at the state level and at  
6 the regional level.

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

10 (8) Establish standards for data collection and maintenance for the  
11 operating agencies of the state training system in a format that is  
12 accessible to use by the board. The board shall require a minimum of  
13 common core data to be collected by each operating agency of the state  
14 training system.

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

18 (9) Establish minimum standards for program evaluation for the  
19 operating agencies of the state training system, including, but not  
20 limited to, the use of common survey instruments and procedures for  
21 measuring perceptions of program participants and employers of program  
22 participants, and monitor such program evaluation.

23 (10) Every two years administer scientifically based outcome  
24 evaluations of the state training system, including, but not limited  
25 to, surveys of program participants, surveys of employers of program  
26 participants, and matches with employment security department payroll  
27 and wage files. Every five years administer scientifically based net-  
28 impact and cost-benefit evaluations of the state training system.

29 (11) In cooperation with the employment security department,  
30 provide for the improvement and maintenance of quality and utility in  
31 occupational information and forecasts for use in training system  
32 planning and evaluation. Improvements shall include, but not be  
33 limited to, development of state-based occupational change factors  
34 involving input by employers and employees, and delineation of skill  
35 and training requirements by education level associated with current  
36 and forecasted occupations.

37 (12) Provide for the development of common course description  
38 formats, common reporting requirements, and common definitions for  
39 operating agencies of the training system.

1 (13) Provide for effectiveness and efficiency reviews of the state  
2 training system.

3 (14) In cooperation with the higher education coordinating board,  
4 facilitate transfer of credit policies and agreements between  
5 institutions of the state training system, and encourage articulation  
6 agreements for programs encompassing two years of secondary work force  
7 education and two years of postsecondary work force education.

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

11 (16) Participate in the development of coordination criteria for  
12 activities under the job training partnership act with related programs  
13 and services provided by state and local education and training  
14 agencies.

15 (17) Make recommendations to the commission of student assessment,  
16 the state board of education, and the superintendent of public  
17 instruction, concerning basic skill competencies and essential core  
18 competencies for K-12 education. Basic skills for this purpose shall  
19 be reading, writing, computation, speaking, and critical thinking,  
20 essential core competencies for this purpose shall be English, math,  
21 science/technology, history, geography, and critical thinking. The  
22 board shall monitor the development of and provide advice concerning  
23 secondary curriculum which integrates vocational and academic  
24 education.

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

27 (19) Facilitate the location of support services, including but not  
28 limited to, child care, financial aid, career counseling, and job  
29 placement services, for students and trainees at institutions in the  
30 state training system, and advocate for support services for trainees  
31 and students in the state training system.

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

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

38 (22) Encourage and assess progress for the equitable representation  
39 of racial and ethnic minorities, women, and people with disabilities

1 among the students, teachers, and administrators of the state training  
2 system. Equitable, for this purpose, shall mean substantially  
3 proportional to their percentage of the state population in the  
4 geographic area served. This function of the board shall in no way  
5 lessen more stringent state or federal requirements for representation  
6 of racial and ethnic minorities, women, and people with disabilities.

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

9 (24) Administer veterans' programs, licensure of private vocational  
10 schools, the job skills program, and the Washington award for  
11 vocational excellence.

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

13 (26) Work with the director of ((community~~7~~)) trade((~~7~~)) and  
14 economic development to ensure coordination between work force training  
15 priorities and that department's economic development efforts.

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

17 The board may delegate to the director any of the functions of this  
18 section.

19 **Sec. 316.** RCW 36.01.120 and 1995 c 399 s 40 are each amended to  
20 read as follows:

21 It is the finding of the legislature that foreign trade zones serve  
22 an important public purpose by the creation of employment opportunities  
23 within the state and that the establishment of zones designed to  
24 accomplish this purpose is to be encouraged. It is the further intent  
25 of the legislature that the department of ((community~~7~~)) trade((~~7~~)) and  
26 economic development provide assistance to entities planning to apply  
27 to the United States for permission to establish such zones.

28 **Sec. 317.** RCW 36.110.030 and 1995 c 399 s 45 are each amended to  
29 read as follows:

30 A state-wide jail industries board of directors is established.  
31 The board shall consist of the following members:

32 (1) One sheriff and one police chief, to be selected by the  
33 Washington association of sheriffs and police chiefs;

34 (2) One county commissioner or one county councilmember to be  
35 selected by the Washington state association of counties;

36 (3) One city official to be selected by the association of  
37 Washington cities;

- 1 (4) Two jail administrators to be selected by the Washington state  
2 jail association, one of whom shall be from a county or a city with an  
3 established jail industries program;
- 4 (5) One prosecuting attorney to be selected by the Washington  
5 association of prosecuting attorneys;
- 6 (6) One administrator from a city or county corrections department  
7 to be selected by the Washington correctional association;
- 8 (7) One county clerk to be selected by the Washington association  
9 of county clerks;
- 10 (8) Three representatives from labor to be selected by the  
11 governor. The representatives may be chosen from a list of nominations  
12 provided by state-wide labor organizations representing a cross-section  
13 of trade organizations;
- 14 (9) Three representatives from business to be selected by the  
15 governor. The representatives may be chosen from a list of nominations  
16 provided by state-wide business organizations representing a cross-  
17 section of businesses, industries, and all sizes of employers;
- 18 (10) The governor's representative from the employment security  
19 department;
- 20 (11) One member representing crime victims, to be selected by the  
21 governor;
- 22 (12) One member representing on-line law enforcement officers, to  
23 be selected by the governor;
- 24 (13) One member from the department of ((community,)) trade((,))  
25 and economic development to be selected by the governor;
- 26 (14) One member representing higher education, vocational  
27 education, or adult basic education to be selected by the governor; and
- 28 (15) The governor's representative from the correctional industries  
29 division of the state department of corrections shall be an ex officio  
30 member for the purpose of coordination and cooperation between prison  
31 and jail industries and to further a positive relationship between  
32 state and local government offender programs.

33 **Sec. 318.** RCW 43.07.360 and 1996 c 253 s 301 are each amended to  
34 read as follows:

- 35 (1) The legislature finds that knowledge of international exchange  
36 students who have studied in Washington state institutions of higher  
37 education, especially those from key trading partner countries, and  
38 knowledge of Washington state students, interns, and citizens working

1 and studying abroad, is critical to the ability of Washington  
2 businesses and citizens to establish contacts and networks in the  
3 competitive world market.

4 (2) The legislature also finds that knowledge of worldwide business  
5 contacts, government contacts, cultural contacts, and international  
6 friends is critical to building a solid network of opportunities for  
7 developing trade relations for our state.

8 (3) The secretary of state may develop and maintain a data base, to  
9 be known as the international contact data base, listing, in addition  
10 to any other information: (a) Washington students, interns, and  
11 citizens working and studying overseas; (b) international students who  
12 have studied at Washington educational institutions; (c) exchange  
13 opportunities for Washington residents wishing to participate in  
14 education, internships, or technical assistance programs in the areas  
15 of agriculture, hydroelectric power, aerospace, computers and  
16 technology, academics, medicine, and communications; (d) international  
17 business contacts of those people interested in doing business with  
18 Washington business; and (e) international government contacts,  
19 particularly with our key trading partners.

20 The data base may be designed to be used as a resource for  
21 Washington citizens, businesses, and other entities seeking contacts in  
22 international trade markets overseas.

23 (4) The department of ((community,)) trade((,)) and economic  
24 development, the department of agriculture, and the governor's office  
25 of protocol may assist the secretary of state in designing and  
26 developing the data base and in obtaining data for inclusion in the  
27 data base. Four-year educational institutions and their alumni  
28 associations are encouraged to maintain data concerning students  
29 studying or working abroad, international students attending their  
30 institutions, and exchange opportunities available to their students  
31 and other citizens, and to make such data freely available to the  
32 secretary of state for inclusion in the data base.

33 (5) The information contained in the data base may be made  
34 available on request for inspection or copying for free or at cost.  
35 The secretary of state shall not distinguish among persons requesting  
36 information from the data base, though the secretary of state may  
37 request information from requesters for purposes of monitoring trade  
38 contacts and evaluating the uses and effectiveness of the data base.

1 (6) Any person listed in the data base may request in writing that  
2 his or her name, address, telephone number, or other identifying  
3 information be omitted from the data base. Nothing in this section  
4 prohibits the secretary of state from refusing to disclose information  
5 exempt from disclosure under RCW 42.17.310.

6 **Sec. 319.** RCW 43.21A.510 and 1995 c 399 s 66 are each amended to  
7 read as follows:

8 In order to assist the department of ((community~~7~~)) trade((~~7~~)) and  
9 economic development in providing information to businesses interested  
10 in locating in Washington state, the department shall develop an  
11 environmental profile of the state. This profile shall identify the  
12 state's natural resources and describe how these assets are valuable to  
13 industry. Examples of information to be included are water resources  
14 and quality, air quality, and recreational opportunities related to  
15 natural resources.

16 **Sec. 320.** RCW 43.21A.515 and 1995 c 399 s 67 are each amended to  
17 read as follows:

18 In order to emphasize the importance of the state's environmental  
19 laws and regulations and to facilitate compliance with them, the  
20 department of ecology shall provide assistance to businesses interested  
21 in locating in Washington state. When the department of ((community~~7~~))  
22 trade((~~7~~)) and economic development receives a query from an interested  
23 business through its industrial marketing activities, it shall arrange  
24 for the department of ecology to provide information on the state's  
25 environmental laws and regulations and methods of compliance. This  
26 section shall facilitate compliance with state environmental laws and  
27 regulations and shall not weaken their application or effectiveness.

28 **Sec. 321.** RCW 43.21A.612 and 1995 c 399 s 68 are each amended to  
29 read as follows:

30 Before the director shall construct said steam generating facility  
31 within the state, or make application for any permit, license or other  
32 right necessary thereto, the director shall give notice thereof by  
33 publishing once a week for four consecutive weeks in a newspaper of  
34 general circulation in the county or counties in which such project is  
35 located a statement of intention setting forth the general nature,  
36 extent and location of the project. If any public utility in the state

1 or any operating agency desires to construct such facility, such  
2 utility or operating agency shall notify the director thereof within  
3 ten days after the last date of publication of such notice. If the  
4 director determines that it is in the best public interest that the  
5 director proceed with such construction rather than the public utility  
6 or operating agency, the director shall so notify the director of  
7 ((community,)) trade((,)) and economic development, who shall set a  
8 date for hearing thereon. If after considering the evidence introduced  
9 the director of ((community,)) trade((,)) and economic development  
10 finds that the public utility or operating agency making the request  
11 intends to immediately proceed with such construction and is  
12 financially capable of carrying out such construction and further finds  
13 that the plan of such utility or operating agency is equally well  
14 adapted to serve the public interest, the director shall enter an order  
15 so finding and such order shall divest the director of authority to  
16 proceed further with such construction or acquisition until such time  
17 as the other public utility or agency voluntarily causes an assignment  
18 of its right or interest in the project to the director or fails to  
19 procure any further required governmental permit, license or authority  
20 or having procured such, has the same revoked or withdrawn, in  
21 accordance with the laws and regulations of such governmental entity,  
22 in which event the director shall have the same authority to proceed as  
23 though the director had originally entered an order so authorizing the  
24 director to proceed. If, after considering the evidence introduced,  
25 the director of ((community,)) trade((,)) and economic development  
26 finds that the public utility or agency making the request does not  
27 intend to immediately proceed with such construction or acquisition or  
28 is not financially capable of carrying out such construction or  
29 acquisition, or finds that the plan of such utility or operating agency  
30 is not equally well adapted to serve the public interest, the director  
31 shall then enter an order so finding and authorizing the director to  
32 proceed with the construction or acquisition of the facility.

33 **Sec. 322.** RCW 43.23.035 and 1995 c 399 s 70 are each amended to  
34 read as follows:

35 The department of agriculture is hereby designated as the agency of  
36 state government for the administration and implementation of state  
37 agricultural market development programs and activities, both domestic

1 and foreign, and shall, in addition to the powers and duties otherwise  
2 imposed by law, have the following powers and duties:

3 (1) To study the potential marketability of various agricultural  
4 commodities of this state in foreign and domestic trade;

5 (2) To collect, prepare, and analyze foreign and domestic market  
6 data;

7 (3) To establish a program to promote and assist in the marketing  
8 of Washington-bred horses: PROVIDED, That the department shall present  
9 a proposal to the legislature no later than December 1, 1986, that  
10 provides for the elimination of all state funding for the program after  
11 June 30, 1989;

12 (4) To encourage and promote the sale of Washington's agricultural  
13 commodities and products at the site of their production through the  
14 development and dissemination of referral maps and other means;

15 (5) To encourage and promote those agricultural industries, such as  
16 the wine industry, which attract visitors to rural areas in which other  
17 agricultural commodities and products are produced and are, or could  
18 be, made available for sale;

19 (6) To encourage and promote the establishment and use of public  
20 markets in this state for the sale of Washington's agricultural  
21 products;

22 (7) To maintain close contact with foreign firms and governmental  
23 agencies and to act as an effective intermediary between foreign  
24 nations and Washington traders;

25 (8) To publish and disseminate to interested citizens and others  
26 information which will aid in carrying out the purposes of chapters  
27 43.23, 15.64, 15.65, and 15.66 RCW;

28 (9) To encourage and promote the movement of foreign and domestic  
29 agricultural goods through the ports of Washington;

30 (10) To conduct an active program by sending representatives to, or  
31 engaging representatives in, foreign countries to promote the state's  
32 agricultural commodities and products;

33 (11) To assist and to make Washington agricultural concerns more  
34 aware of the potentials of foreign trade and to encourage production of  
35 those commodities that will have high export potential and appeal;

36 (12) To coordinate the trade promotional activities of appropriate  
37 federal, state, and local public agencies, as well as civic  
38 organizations; and

1 (13) To develop a coordinated marketing program with the department  
2 of ((community,)) trade((,)) and economic development, utilizing  
3 existing trade offices and participating in mutual trade missions and  
4 activities.

5 As used in this section, "agricultural commodities" includes  
6 products of both terrestrial and aquatic farming.

7 **Sec. 323.** RCW 43.160.020 and 1997 c 367 s 8 are each amended to  
8 read as follows:

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

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

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

15 (3) "Department" means the department of ((community,)) trade((,))  
16 and economic development.

17 (4) "Financial institution" means any bank, savings and loan  
18 association, credit union, development credit corporation, insurance  
19 company, investment company, trust company, savings institution, or  
20 other financial institution approved by the board and maintaining an  
21 office in the state.

22 (5) "Industrial development facilities" means "industrial  
23 development facilities" as defined in RCW 39.84.020.

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

26 (7) "Local government" or "political subdivision" means any port  
27 district, county, city, town, special purpose district, and any other  
28 municipal corporations or quasi-municipal corporations in the state  
29 providing for public facilities under this chapter.

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

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

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

7 (11) "Public facilities" means bridges, roads, domestic and  
8 industrial water, sanitary sewer, storm sewer, railroad, electricity,  
9 natural gas, buildings or structures, and port facilities.

10 (12) "Rural natural resources impact area" means:

11 (a) A nonmetropolitan county, as defined by the 1990 decennial  
12 census, that meets three of the five criteria set forth in subsection  
13 (13) of this section;

14 (b) A nonmetropolitan county with a population of less than forty  
15 thousand in the 1990 decennial census, that meets two of the five  
16 criteria as set forth in subsection (13) of this section; or

17 (c) A nonurbanized area, as defined by the 1990 decennial census,  
18 that is located in a metropolitan county that meets three of the five  
19 criteria set forth in subsection (13) of this section.

20 (13) For the purposes of designating rural natural resources impact  
21 areas, the following criteria shall be considered:

22 (a) A lumber and wood products employment location quotient at or  
23 above the state average;

24 (b) A commercial salmon fishing employment location quotient at or  
25 above the state average;

26 (c) Projected or actual direct lumber and wood products job losses  
27 of one hundred positions or more;

28 (d) Projected or actual direct commercial salmon fishing job losses  
29 of one hundred positions or more; and

30 (e) An unemployment rate twenty percent or more above the state  
31 average. The counties that meet these criteria shall be determined by  
32 the employment security department for the most recent year for which  
33 data is available. For the purposes of administration of programs  
34 under this chapter, the United States post office five-digit zip code  
35 delivery areas will be used to determine residence status for  
36 eligibility purposes. For the purpose of this definition, a zip code  
37 delivery area of which any part is ten miles or more from an urbanized  
38 area is considered nonurbanized. A zip code totally surrounded by zip  
39 codes qualifying as nonurbanized under this definition is also

1 considered nonurbanized. The office of financial management shall make  
2 available a zip code listing of the areas to all agencies and  
3 organizations providing services under this chapter.

4 **Sec. 324.** RCW 43.160.115 and 1995 c 399 s 87 are each amended to  
5 read as follows:

6 In addition to its powers and duties under this chapter, the  
7 community economic revitalization board shall cooperate with the  
8 (~~Washington state development loan fund committee~~) department in  
9 order to provide for coordination of their very similar programs.  
10 Under this chapter, it is the duty of the department (~~of community,~~  
11 ~~trade, and economic development and the board~~) to financially assist  
12 the committee to the extent required by law. (~~Funds appropriated to~~  
13 ~~the board or the department of community, trade, and economic~~  
14 ~~development for the use of the board shall be transferred to the~~  
15 ~~department of community, trade, and economic development to the extent~~  
16 ~~required by law.~~)

17 **Sec. 325.** RCW 43.160.180 and 1995 c 399 s 88 are each amended to  
18 read as follows:

19 (1) There is hereby created the private activity bond subcommittee  
20 of the board.

21 (2) The subcommittee shall be primarily responsible for reviewing  
22 and making recommendations to the board on requests for certification  
23 and allocation pursuant to the provisions of chapter 39.86 RCW and as  
24 authorized by rules adopted by the board.

25 (3) The subcommittee shall consist of the following members: Six  
26 members of the board including: (a) The chair; (b) the county  
27 official; (c) the city official; (d) the port district official; (e) a  
28 legislator, appointed by the chair; and (f) the representative of the  
29 public. The members' terms shall coincide with their terms of  
30 appointment to the board.

31 (4) Staff support to the subcommittee shall be provided by the  
32 department (~~of community, trade, and economic development~~).

33 (5) Members of the subcommittee shall receive no compensation but  
34 shall be reimbursed for travel expenses under RCW 43.03.050 and  
35 43.03.060.

36 (6) If a vacancy on the subcommittee occurs by death, resignation,  
37 failure to hold the office from which the member was appointed, or

1 otherwise, the vacancy shall be filled through the procedures specified  
2 for filling the corresponding vacancy on the board.

3 **Sec. 326.** RCW 43.163.020 and 1995 c 399 s 89 are each amended to  
4 read as follows:

5 The Washington economic development finance authority is  
6 established as a public body corporate and politic, with perpetual  
7 corporate succession, constituting an instrumentality of the state of  
8 Washington exercising essential governmental functions. The authority  
9 is a public body within the meaning of RCW 39.53.010.

10 The authority shall consist of eighteen (~~(seventeen)~~) members as  
11 follows: The director of the department of (~~community,~~) trade(~~(-)~~)  
12 and economic development, the director of the department of community  
13 development, the director of the department of agriculture, the state  
14 treasurer, one member from each caucus in the house of representatives  
15 appointed by the speaker of the house, one member from each caucus in  
16 the senate appointed by the president of the senate, and ten public  
17 members with one representative of women-owned businesses and one  
18 representative of minority-owned businesses and with at least three of  
19 the members residing east of the Cascades. The public members shall be  
20 residents of the state appointed by the governor on the basis of their  
21 interest or expertise in trade, agriculture or business finance or jobs  
22 creation and development. One of the public members shall be appointed  
23 by the governor as chair of the authority and shall serve as chair of  
24 the authority at the pleasure of the governor. The authority may  
25 select from its membership such other officers as it deems appropriate.

26 The term of the persons appointed by the governor as public members  
27 of the authority, including the public member appointed as chair, shall  
28 be four years from the date of appointment, except that the term of  
29 three of the initial appointees shall be for two years from the date of  
30 appointment and the term of four of the initial appointees shall be for  
31 three years from the date of appointment. The governor shall designate  
32 the appointees who will serve the two-year and three-year terms.

33 In the event of a vacancy on the authority due to death,  
34 resignation or removal of one of the public members, or upon the  
35 expiration of the term of one of the public members, the governor shall  
36 appoint a successor for the remainder of the unexpired term. If either  
37 of the state offices is abolished, the resulting vacancy on the

1 authority shall be filled by the state officer who shall succeed  
2 substantially to the power and duties of the abolished office.

3 Any public member of the authority may be removed by the governor  
4 for misfeasance, malfeasance or willful neglect of duty after notice  
5 and a public hearing, unless such notice and hearing shall be expressly  
6 waived in writing by the affected public member.

7 The state officials serving in ex officio capacity may each  
8 designate an employee of their respective departments to act on their  
9 behalf in all respects with regard to any matter to come before the  
10 authority. Such designations shall be made in writing in such manner  
11 as is specified by the rules of the authority.

12 The members of the authority shall serve without compensation but  
13 shall be entitled to reimbursement, solely from the funds of the  
14 authority, for expenses incurred in the discharge of their duties under  
15 this chapter. The authority may borrow funds from the department for  
16 the purpose of reimbursing members for expenses; however, the authority  
17 shall repay the department as soon as practicable.

18 A majority of the authority shall constitute a quorum.

19 **Sec. 327.** RCW 43.163.120 and 1998 c 245 s 51 are each amended to  
20 read as follows:

21 The authority shall receive no appropriation of state funds. The  
22 department of ((community<sub>7</sub>)) trade((<sub>7</sub>)) and economic development shall  
23 provide staff to the authority, to the extent permitted by law, to  
24 enable the authority to accomplish its purposes; the staff from the  
25 department of ((community<sub>7</sub>)) trade((<sub>7</sub>)) and economic development may  
26 assist the authority in organizing itself and in designing programs,  
27 but shall not be involved in the issuance of bonds or in making credit  
28 decisions regarding financing provided to borrowers by the authority.

29 **Sec. 328.** RCW 43.168.020 and 1996 c 290 s 3 are each amended to  
30 read as follows:

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

33 (1) (~~"Committee" means the Washington state development loan fund~~  
34 ~~committee.~~

35 (2)) "Department" means the department of ((community<sub>7</sub>))  
36 trade((<sub>7</sub>)) and economic development.

1       (~~(3)~~) (2) "Director" means the director of (~~community,~~)  
2 trade(~~(7)~~) and economic development.

3       (~~(4)~~) (3) "Distressed area" means: (a) A county which has an  
4 unemployment rate which is twenty percent above the state average for  
5 the immediately previous three years; (b) a county that has a median  
6 household income that is less than seventy-five percent of the state  
7 median household income for the previous three years; (c) a  
8 metropolitan statistical area, as defined by the office of federal  
9 statistical policy and standards, United States department of commerce,  
10 in which the average level of unemployment for the calendar year  
11 immediately preceding the year in which an application is filed under  
12 this chapter exceeds the average state unemployment for such calendar  
13 year by twenty percent; (d) an area within a county, which area: (i)  
14 Is composed of contiguous census tracts; (ii) has a minimum population  
15 of five thousand persons; (iii) has at least seventy percent of its  
16 families and unrelated individuals with incomes below eighty percent of  
17 the county's median income for families and unrelated individuals; and  
18 (iv) has an unemployment rate which is at least forty percent higher  
19 than the county's unemployment rate; or (e) a county designated as a  
20 rural natural resources impact area under RCW 43.31.601 if an  
21 application is filed by July 1, 1997. For purposes of this definition,  
22 "families and unrelated individuals" has the same meaning that is  
23 ascribed to that term by the federal department of housing and urban  
24 development in its regulations authorizing action grants for economic  
25 development and neighborhood revitalization projects.

26       (~~(5)~~) (4) "Fund" means the Washington state development loan  
27 fund.

28       (~~(6)~~) (5) "Local development organization" means a nonprofit  
29 organization which is organized to operate within an area, demonstrates  
30 a commitment to a long-standing effort for an economic development  
31 program, and makes a demonstrable effort to assist in the employment of  
32 unemployed or underemployed residents in an area.

33       (~~(7)~~) (6) "Project" means the establishment of a new or expanded  
34 business in an area which when completed will provide employment  
35 opportunities. "Project" also means the retention of an existing  
36 business in an area which when completed will provide employment  
37 opportunities.

1       **Sec. 329.** RCW 43.168.031 and 1995 c 399 s 92 are each amended to  
2 read as follows:

3       The Washington state development loan fund committee shall be  
4 terminated on June 30, 1994, and its powers and duties transferred to  
5 the director of the department of ((community<sub>7</sub>)) trade((<sub>7</sub>)) and  
6 economic development.

7       **Sec. 330.** RCW 43.170.020 and 1995 c 399 s 93 are each amended to  
8 read as follows:

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

11       (1) "Department" means the department of ((community<sub>7</sub>)) trade((<sub>7</sub>))  
12 and economic development.

13       (2) "Director" means the director of ((community<sub>7</sub>)) trade((<sub>7</sub>)) and  
14 economic development.

15       (3) "Program" means the small business innovators' opportunity  
16 program.

17       (4) "Inventor" or "innovator" means one who thinks of, imagines, or  
18 creates something new which may result in a device, contrivance, or  
19 process for the first time, through the use of the imagination or  
20 ingenious thinking and experimentation.

21       (5) "Proposal" means a plan provided by an inventor or innovator on  
22 an idea for an invention or an improvement.

23       (6) "Higher education" means any university, college, community  
24 college, or technical institute in this state.

25       **Sec. 331.** RCW 43.172.011 and 1995 c 399 s 96 are each amended to  
26 read as follows:

27       Unless the context clearly requires otherwise, the definitions in  
28 this section apply throughout RCW 43.172.020 through 43.172.110.

29       (1) "Approved surety company" means a surety company approved by  
30 the department for participation in providing direct bonding assistance  
31 to qualified contractors.

32       (2) "Bond" means any bond or security required for bid, payment, or  
33 performance of contracts.

34       (3) "Department" means the department of ((community<sub>7</sub>)) trade((<sub>7</sub>))  
35 and economic development.

36       (4) "Program" means the Washington state small business bonding  
37 assistance program provided for in this chapter.

1 (5) "Qualified contractor" means any resident minority business  
2 enterprise or women's business enterprise, as determined by the  
3 department to be consistent with the requirements of chapter 39.19 RCW  
4 and engaged in the contracting business, which has obtained a  
5 certificate of accreditation from the Washington state small business  
6 bonding assistance program.

7 **Sec. 332.** RCW 43.210.030 and 1998 c 109 s 2 are each amended to  
8 read as follows:

9 The small business export finance assistance center and its  
10 branches shall be governed and managed by a board of seven directors  
11 appointed by the governor, with the advice of the board, and confirmed  
12 by the senate. The directors shall serve terms of four years following  
13 the terms of service established by the initial appointments after June  
14 11, 1998. Three appointees, including directors on June 11, 1998, who  
15 are reappointed, must serve initial terms of two years and, if a  
16 director is reappointed that director may serve a consecutive four-year  
17 term. Four appointees, including directors on June 11, 1998, who are  
18 reappointed, must serve initial terms of four years and, if a director  
19 is reappointed that director may serve a consecutive four-year term.  
20 After the initial appointments, directors may serve two consecutive  
21 terms. The directors may provide for the payment of their expenses.  
22 The directors shall include the director of ((community,)) trade((,))  
23 and economic development or the director's designee; representatives of  
24 a large financial institution engaged in financing export transactions  
25 in the state of Washington; a small financial institution engaged in  
26 financing export transactions in the state of Washington; a large  
27 exporting company domiciled in the state of Washington; a small  
28 exporting company in the state of Washington; organized labor in a  
29 trade involved in international commerce; and a representative at  
30 large. To the extent possible, appointments to the board shall reflect  
31 geographical balance and the diversity of the state population. Any  
32 vacancies on the board due to the expiration of a term or for any other  
33 reason shall be filled by appointment by the governor for the unexpired  
34 term.

35 **Sec. 333.** RCW 43.210.050 and 1998 c 245 s 84 are each amended to  
36 read as follows:

1       The small business export finance assistance center formed under  
2 RCW 43.210.020 and 43.210.030 shall enter into a contract under this  
3 chapter with the department of ((community)) trade(( )) and economic  
4 development or its statutory successor. The contract shall require the  
5 center to provide export assistance services, consistent with RCW  
6 43.210.070 and 43.210.100 through 43.210.120, shall have a duration of  
7 two years, and shall require the center to aggressively seek to fund  
8 its continued operation from nonstate funds. The contract shall also  
9 require the center to report annually to the department on its success  
10 in obtaining nonstate funding. Upon expiration of the contract, any  
11 provisions within the contract applicable to the Pacific Northwest  
12 export assistance project shall be automatically renewed without change  
13 provided the legislature appropriates funds for administration of the  
14 small business export assistance center and the Pacific Northwest  
15 export assistance project. The provisions of the contract related to  
16 the Pacific Northwest export assistance project may be changed at any  
17 time if the director of the department of ((community)) trade(( )) and  
18 economic development or the president of the small business export  
19 finance assistance center present compelling reasons supporting the  
20 need for a contract change to the board of directors and a majority of  
21 the board of directors agrees to the changes. The department of  
22 agriculture shall be included in the contracting negotiations with the  
23 department of ((community)) trade(( )) and economic development and  
24 the small business export finance assistance center when the Pacific  
25 Northwest export assistance project provides export services to  
26 industrial sectors within the administrative domain of the Washington  
27 state department of agriculture.

28       **Sec. 334.** RCW 43.210.060 and 1995 c 399 s 108 are each amended to  
29 read as follows:

30       The department of ((community)) trade(( )) and economic  
31 development or its statutory successor shall adopt rules under chapter  
32 34.05 RCW as necessary to carry out the purposes of this chapter.

33       **Sec. 335.** RCW 43.330.092 and 1997 c 220 s 222 (Referendum Bill No.  
34 48) are each amended to read as follows:

35       The film and video promotion account is created in the state  
36 treasury. All receipts from RCW 36.102.060(14) must be deposited into  
37 the account. Moneys in the account may be spent only after

1 appropriation. Expenditures from the account may be used by the  
2 department ((of community, trade, and economic development)) only for  
3 the purposes of promotion of the film and video production industry in  
4 the state of Washington.

5 **Sec. 336.** RCW 43.330.094 and 1997 c 220 s 223 (Referendum Bill No.  
6 48) are each amended to read as follows:

7 The tourism development and promotion account is created in the  
8 state treasury. All receipts from RCW 36.102.060(10) must be deposited  
9 into the account. Moneys in the account may be spent only after  
10 appropriation. Expenditures from the account may be used by the  
11 department ((of community, trade, and economic development)) only for  
12 the purposes of promotion of the tourism industry in the state of  
13 Washington.

14 **Sec. 337.** RCW 50.67.030 and 1994 sp.s. c 3 s 8 are each amended to  
15 read as follows:

16 In addition to its duties under this chapter, the Washington state  
17 job training coordinating council shall advise the employment security  
18 department and the department of ((community,)) trade((,)) and economic  
19 development on the development and implementation of the Washington  
20 youthbuild program created under chapter 50.72 RCW.

21 **Sec. 338.** RCW 50.72.030 and 1994 sp.s. c 3 s 3 are each amended to  
22 read as follows:

23 The Washington youthbuild program is established within the  
24 department. The commissioner, in cooperation and consultation with the  
25 director of the department of ((community,)) trade((,)) and economic  
26 development, shall:

27 (1) Make grants, up to the lesser of three hundred thousand dollars  
28 or twenty-five percent of the total costs of the youthbuild activities,  
29 to applicants eligible to provide education and employment training  
30 under federal or state employment training programs, for the purpose of  
31 carrying out a wide range of multidisciplinary activities and services  
32 to assist economically disadvantaged youth under the federal  
33 opportunities for youth: Youthbuild program (106 Stat. 3723; 42 U.S.C.  
34 Sec. 8011), or locally developed youthbuild-type programs for  
35 economically disadvantaged youth; and

1 (2) Coordinate youth employment and training efforts under the  
2 department's jurisdiction and cooperate with other agencies and  
3 departments providing youth services to ensure that funds appropriated  
4 for the purposes of this chapter will be used to supplement funding  
5 from federal, state, local, or private sources.

6 **Sec. 339.** RCW 70.95.265 and 1995 c 399 s 190 are each amended to  
7 read as follows:

8 The department shall work closely with the department of  
9 ((community~~7~~)) trade((~~7~~)) and economic development, the department of  
10 general administration, and with other state departments and agencies,  
11 the Washington state association of counties, the association of  
12 Washington cities, and business associations, to carry out the  
13 objectives and purposes of chapter 41, Laws of 1975-'76 2nd ex. sess.

14 **Sec. 340.** RCW 70.95.810 and 1998 c 245 s 132 are each amended to  
15 read as follows:

16 (1) In order to establish the feasibility of composting food and  
17 yard wastes, the department shall provide funds, as available, to local  
18 governments submitting a proposal to compost such wastes.

19 (2) The department, in cooperation with the department of  
20 ((community~~7~~)) trade((~~7~~)) and economic development, may approve an  
21 application if the project can demonstrate the essential parameters for  
22 successful composting, including, but not limited to, cost-  
23 effectiveness, handling and safety requirements, and current and  
24 potential markets.

25 **Sec. 341.** RCW 70.95H.007 and 1995 c 399 s 192 are each amended to  
26 read as follows:

27 There is created the clean Washington center within the department  
28 of ((community~~7~~)) trade((~~7~~)) and economic development. As used in this  
29 chapter, "center" means the clean Washington center.

30 **Sec. 342.** RCW 70.95H.050 and 1995 c 399 s 194 are each amended to  
31 read as follows:

32 The center shall solicit financial contributions and support from  
33 manufacturing industries and other private sector sources, foundations,  
34 and grants from governmental sources to assist in conducting its  
35 activities. It may also use separately appropriated funds of the

1 department of ((community~~7~~)) trade((~~7~~)) and economic development for  
2 the center's activities.

3 **Sec. 343.** RCW 76.09.030 and 1995 c 399 s 207 are each amended to  
4 read as follows:

5 (1) There is hereby created the forest practices board of the state  
6 of Washington as an agency of state government consisting of members as  
7 follows:

8 (a) The commissioner of public lands or the commissioner's  
9 designee;

10 (b) The director of the department of community((~~7~~, ~~trade~~, ~~and~~  
11 ~~economic~~)) development or the director's designee;

12 (c) The director of the department of agriculture or the director's  
13 designee;

14 (d) The director of the department of ecology or the director's  
15 designee;

16 (e) An elected member of a county legislative authority appointed  
17 by the governor: PROVIDED, That such member's service on the board  
18 shall be conditioned on the member's continued service as an elected  
19 county official; and

20 (f) Six members of the general public appointed by the governor,  
21 one of whom shall be an owner of not more than five hundred acres of  
22 forest land, and one of whom shall be an independent logging  
23 contractor.

24 (2) The members of the initial board appointed by the governor  
25 shall be appointed so that the term of one member shall expire December  
26 31, 1975, the term of one member shall expire December 31, 1976, the  
27 term of one member shall expire December 31, 1977, the terms of two  
28 members shall expire December 31, 1978, and the terms of two members  
29 shall expire December 31, 1979. Thereafter, each member shall be  
30 appointed for a term of four years. Vacancies on the board shall be  
31 filled in the same manner as the original appointments. Each member of  
32 the board shall continue in office until his or her successor is  
33 appointed and qualified. The commissioner of public lands or the  
34 commissioner's designee shall be the chairman of the board.

35 (3) The board shall meet at such times and places as shall be  
36 designated by the chairman or upon the written request of the majority  
37 of the board. The principal office of the board shall be at the state  
38 capital.

1 (4) Members of the board, except public employees and elected  
2 officials, shall be compensated in accordance with RCW 43.03.250. Each  
3 member shall be entitled to reimbursement for travel expenses incurred  
4 in the performance of their duties as provided in RCW 43.03.050 and  
5 43.03.060.

6 (5) The board may employ such clerical help and staff pursuant to  
7 chapter 41.06 RCW as is necessary to carry out its duties.

8 **Sec. 344.** RCW 76.56.020 and 1994 c 282 s 1 are each amended to  
9 read as follows:

10 The center shall:

11 (1) Coordinate the University of Washington's college of forest  
12 resources' faculty and staff expertise to assist in:

13 (a) The development of research and analysis for developing  
14 policies and strategies which will expand forest-based international  
15 trade, including a major focus on secondary manufacturing;

16 (b) The development of technology or commercialization support for  
17 manufactured products that will meet the evolving needs of  
18 international customers;

19 (c) The development of research and analysis on other factors  
20 critical to forest-based trade, including the quality and availability  
21 of raw wood resources; and

22 (d) The coordination, development, and dissemination of market and  
23 technical information relevant to international trade in forest  
24 products, including a major focus on secondary manufacturing;

25 (2) Further develop and maintain computer data bases on world-wide  
26 forest products production and trade in order to monitor and report on  
27 trends significant to the Northwest forest products industry and  
28 support the center's research functions; and coordinate this system  
29 with state, federal, and private sector efforts to insure a cost-  
30 effective information resource that will avoid unnecessary duplication;

31 (3) Monitor international forest products markets and assess the  
32 status of the state's forest products industry, including the  
33 competitiveness of small and medium-sized secondary manufacturing firms  
34 in the forest products industry, which for the purposes of this chapter  
35 shall be firms with annual revenues of twenty-five million or less, and  
36 including the increased exports of Washington-produced products of  
37 small and medium-sized secondary manufacturing firms;

1 (4) Provide high-quality research and graduate education and  
2 professional nondegree training in international trade in forest  
3 products in cooperation with the University of Washington's graduate  
4 school of business administration, the school of law, the Jackson  
5 school of international studies, the Northwest policy center of the  
6 graduate school of public administration, and other supporting academic  
7 units;

8 (5) Develop cooperative linkages with the international marketing  
9 program for agricultural commodities and trade at Washington State  
10 University, the international trade project of the United States forest  
11 service, the department of natural resources, the department of  
12 ((community,)) trade((,)) and economic development, the small business  
13 export finance assistance center, and other state and federal agencies  
14 to avoid duplication of effort and programs;

15 (6) Cooperate with personnel from the state's community and  
16 technical colleges in their development of wood products manufacturing  
17 and wood technology curriculum and offer periodic workshops on wood  
18 products manufacturing, wood technology, and trade opportunities to  
19 community colleges and private educators and trainers;

20 (7) Provide for public dissemination of research, analysis, and  
21 results of the center's programs to all groups, including direct  
22 assistance groups, through technical workshops, short courses,  
23 international and national symposia, cooperation with private sector  
24 networks and marketing associations, or other means, including  
25 appropriate publications;

26 (8) Establish an executive policy board, including representatives  
27 of small and medium-sized businesses, with at least fifty percent of  
28 its business members representing small businesses with one hundred or  
29 fewer employees and medium-sized businesses with one hundred to five  
30 hundred employees. The executive policy board shall also include a  
31 representative of the community and technical colleges, representatives  
32 of state and federal agencies, and a representative of a wood products  
33 manufacturing network or trade association of small and medium-sized  
34 wood product manufacturers. The executive policy board shall provide  
35 advice on: Overall policy direction and program priorities, state and  
36 federal budget requests, securing additional research funds,  
37 identifying priority areas of focus for research efforts, selection of  
38 projects for research, and dissemination of results of research  
39 efforts; and

1 (9) Establish advisory or technical committees for each research  
2 program area, to advise on research program area priorities, consistent  
3 with the international trade opportunities achievable by the forest  
4 products sector of the state and region, to help ensure projects are  
5 relevant to industry needs, and to advise on and support effective  
6 dissemination of research results. Each advisory or technical  
7 committee shall include representatives of forest products industries  
8 that might benefit from this research.

9 Service on the committees and the executive policy board  
10 established in subsections (8) and (9) of this section shall be without  
11 compensation but actual travel expenses incurred in connection with  
12 service to the center may be reimbursed from appropriated funds in  
13 accordance with RCW 43.03.050 and 43.03.060.

14 **Sec. 345.** RCW 77.12.710 and 1998 c 245 s 159 are each amended to  
15 read as follows:

16 The legislature hereby directs the department to determine the  
17 feasibility and cost of doubling the state-wide game fish production by  
18 the year 2000. The department shall seek to equalize the effort and  
19 investment expended on anadromous and resident game fish programs. The  
20 department shall provide the legislature with a specific plan for  
21 legislative approval that will outline the feasibility of increasing  
22 game fish production by one hundred percent over current levels by the  
23 year 2000. The plan shall contain specific provisions to increase both  
24 hatchery and naturally spawning game fish to a level that will support  
25 the production goal established in this section consistent with  
26 department policies. Steelhead trout, searun cutthroat trout, resident  
27 trout, and warmwater fish producing areas of the state shall be  
28 included in the plan.

29 The plan shall include the following critical elements:

30 (1) Methods of determining current catch and production, and catch  
31 and production in the year 2000;

32 (2) Methods of involving fishing groups, including Indian tribes,  
33 in a cooperative manner;

34 (3) Methods for using low capital cost projects to produce game  
35 fish as inexpensively as possible;

36 (4) Methods for renovating and modernizing all existing hatcheries  
37 and rearing ponds to maximize production capability;

- 1 (5) Methods for increasing the productivity of natural spawning
- 2 game fish;
- 3 (6) Application of new technology to increase hatchery and natural
- 4 productivity;
- 5 (7) Analysis of the potential for private contractors to produce
- 6 game fish for public fisheries;
- 7 (8) Methods to optimize public volunteer efforts and cooperative
- 8 projects for maximum efficiency;
- 9 (9) Methods for development of trophy game fish fisheries;
- 10 (10) Elements of coordination with the Pacific Northwest Power
- 11 Council programs to ensure maximum Columbia river benefits;
- 12 (11) The role that should be played by private consulting companies
- 13 in developing and implementing the plan;
- 14 (12) Coordination with federal fish and wildlife agencies, Indian
- 15 tribes, and department fish production programs;
- 16 (13) Future needs for game fish predator control measures;
- 17 (14) Development of disease control measures;
- 18 (15) Methods for obtaining access to waters currently not available
- 19 to anglers; and
- 20 (16) Development of research programs to support game fish
- 21 management and enhancement programs.

22 The department, in cooperation with the department of revenue,  
23 shall assess various funding mechanisms and make recommendations to the  
24 legislature in the plan. The department, in cooperation with the  
25 department of ((community,)) trade((,)) and economic development, shall  
26 prepare an analysis of the economic benefits to the state that will  
27 occur when the game fish production is increased by one hundred percent  
28 in the year 2000.

29 **Sec. 346.** RCW 81.80.450 and 1998 c 245 s 167 are each amended to  
30 read as follows:

31 (1) The department of ((community,)) trade((,)) and economic  
32 development, in conjunction with the utilities and transportation  
33 commission and the department of ecology, shall evaluate the effect of  
34 exempting motor vehicles transporting recovered materials from rate  
35 regulation as provided under RCW 81.80.440. The evaluation shall, at  
36 a minimum, describe the effect of such exemption on:

37 (a) The cost and timeliness of transporting recovered materials  
38 within the state;

- 1 (b) The volume of recovered materials transported within the state;  
2 (c) The number of safety violations and traffic accidents related  
3 to transporting recovered materials within the state; and  
4 (d) The availability of service related to transporting recovered  
5 materials from rural areas of the state.

6 (2) The commission shall adopt rules requiring persons transporting  
7 recovered materials to submit information required under RCW 70.95.280.  
8 In adopting such rules, the commission shall include procedures to  
9 ensure the confidentiality of proprietary information.

10 **Sec. 347.** RCW 88.12.275 and 1997 c 391 s 7 are each amended to  
11 read as follows:

12 (1) The department of licensing shall issue a whitewater river  
13 outfitter's license to an applicant who submits a completed  
14 application, pays the required fee, and complies with the requirements  
15 of this section.

16 (2) An applicant for a whitewater river outfitter's license shall  
17 make application upon a form provided by the department of licensing.  
18 The form must be submitted annually and include the following  
19 information:

20 (a) The name, residence address, and residence telephone number,  
21 and the business name, address, and telephone number of the applicant;

22 (b) Certification that all employees, subcontractors, or  
23 independent contractors hired as guides meet training standards under  
24 RCW 88.12.245(2) before carrying any passengers for hire;

25 (c) Proof that the applicant has liability insurance for a minimum  
26 of three hundred thousand dollars per claim for occurrences by the  
27 applicant and the applicant's employees that result in bodily injury or  
28 property damage. All guides must be covered by the applicant's  
29 insurance policy;

30 (d) Certification that the applicant will maintain the insurance  
31 for a period of not less than one year from the date of issuance of the  
32 license; and

33 (e) Certification by the applicant that for a period of not less  
34 than twenty-four months immediately preceding the application the  
35 applicant:

36 (i) Has not had a license, permit, or certificate to carry  
37 passengers for hire on a river revoked by another state or by an agency  
38 of the government of the United States due to a conviction for a

1 violation of safety or insurance coverage requirements no more  
2 stringent than the requirements of this chapter; and

3 (ii) Has not been denied the right to apply for a license, permit,  
4 or certificate to carry passengers for hire on a river by another  
5 state.

6 (3) The department of licensing shall charge a fee for each  
7 application, to be set in accordance with RCW 43.24.086.

8 (4) Any person advertising or representing himself or herself as a  
9 whitewater river outfitter who is not currently licensed is guilty of  
10 a gross misdemeanor.

11 (5) The department of licensing shall submit annually a list of  
12 licensed persons and companies to the department of ((community,))  
13 trade((,)) and economic development, tourism promotion division.

14 (6) If an insurance company cancels or refuses to renew insurance  
15 for a licensee, the insurance company shall notify the department of  
16 licensing in writing of the termination of coverage and its effective  
17 date not less than thirty days before the effective date of  
18 termination.

19 (a) Upon receipt of an insurance company termination notice, the  
20 department of licensing shall send written notice to the licensee that  
21 on the effective date of termination the department of licensing will  
22 suspend the license unless proof of insurance as required by this  
23 section is filed with the department of licensing before the effective  
24 date of the termination.

25 (b) If an insurance company fails to give notice of coverage  
26 termination, this failure shall not have the effect of continuing the  
27 coverage.

28 (c) The department of licensing may suspend a license under this  
29 section if the licensee fails to maintain in full force and effect the  
30 insurance required by this section.

31 (7) The state of Washington shall be immune from any civil action  
32 arising from the issuance of a license under this section.

33 **PART IV**

34 **REFERENCES TO DEPARTMENT OF COMMUNITY DEVELOPMENT**  
35 **AND DEPARTMENT OF TRADE AND ECONOMIC DEVELOPMENT**

36 **Sec. 401.** RCW 41.06.070 and 1998 c 245 s 40 are each amended to  
37 read as follows:

1 (1) The provisions of this chapter do not apply to:

2 (a) The members of the legislature or to any employee of, or  
3 position in, the legislative branch of the state government including  
4 members, officers, and employees of the legislative council, joint  
5 legislative audit and review committee, statute law committee, and any  
6 interim committee of the legislature;

7 (b) The justices of the supreme court, judges of the court of  
8 appeals, judges of the superior courts or of the inferior courts, or to  
9 any employee of, or position in the judicial branch of state  
10 government;

11 (c) Officers, academic personnel, and employees of technical  
12 colleges;

13 (d) The officers of the Washington state patrol;

14 (e) Elective officers of the state;

15 (f) The chief executive officer of each agency;

16 (g) In the departments of employment security and social and health  
17 services, the director and the director's confidential secretary; in  
18 all other departments, the executive head of which is an individual  
19 appointed by the governor, the director, his or her confidential  
20 secretary, and his or her statutory assistant directors;

21 (h) In the case of a multimember board, commission, or committee,  
22 whether the members thereof are elected, appointed by the governor or  
23 other authority, serve ex officio, or are otherwise chosen:

24 (i) All members of such boards, commissions, or committees;

25 (ii) If the members of the board, commission, or committee serve on  
26 a part-time basis and there is a statutory executive officer: The  
27 secretary of the board, commission, or committee; the chief executive  
28 officer of the board, commission, or committee; and the confidential  
29 secretary of the chief executive officer of the board, commission, or  
30 committee;

31 (iii) If the members of the board, commission, or committee serve  
32 on a full-time basis: The chief executive officer or administrative  
33 officer as designated by the board, commission, or committee; and a  
34 confidential secretary to the chair of the board, commission, or  
35 committee;

36 (iv) If all members of the board, commission, or committee serve ex  
37 officio: The chief executive officer; and the confidential secretary  
38 of such chief executive officer;

1 (i) The confidential secretaries and administrative assistants in  
2 the immediate offices of the elective officers of the state;

3 (j) Assistant attorneys general;

4 (k) Commissioned and enlisted personnel in the military service of  
5 the state;

6 (l) Inmate, student, part-time, or temporary employees, and part-  
7 time professional consultants, as defined by the Washington personnel  
8 resources board;

9 (m) The public printer or to any employees of or positions in the  
10 state printing plant;

11 (n) Officers and employees of the Washington state fruit  
12 commission;

13 (o) Officers and employees of the Washington state apple  
14 advertising commission;

15 (p) Officers and employees of the Washington state dairy products  
16 commission;

17 (q) Officers and employees of the Washington tree fruit research  
18 commission;

19 (r) Officers and employees of the Washington state beef commission;

20 (s) Officers and employees of any commission formed under chapter  
21 15.66 RCW;

22 ~~(t) ((Officers and employees of the state wheat commission formed  
23 under chapter 15.63 RCW;~~

24 ~~(u))~~ Officers and employees of agricultural commissions formed  
25 under chapter 15.65 RCW;

26 ~~((v))~~ (u) Officers and employees of the nonprofit corporation  
27 formed under chapter 67.40 RCW;

28 ~~((w))~~ (v) Executive assistants for personnel administration and  
29 labor relations in all state agencies employing such executive  
30 assistants including but not limited to all departments, offices,  
31 commissions, committees, boards, or other bodies subject to the  
32 provisions of this chapter and this subsection shall prevail over any  
33 provision of law inconsistent herewith unless specific exception is  
34 made in such law;

35 ~~((x))~~ (w) In each agency with fifty or more employees: Deputy  
36 agency heads, assistant directors or division directors, and not more  
37 than three principal policy assistants who report directly to the  
38 agency head or deputy agency heads;

39 ~~((y))~~ (x) All employees of the marine employees' commission;

1       ~~((z)) Up to a total of five senior staff positions of the western~~  
2 ~~library network under chapter 27.26 RCW responsible for formulating~~  
3 ~~policy or for directing program management of a major administrative~~  
4 ~~unit. This subsection (1)(z) shall expire on June 30, 1997;~~

5       ~~((aa))~~ (y) Staff employed by the department of ~~((community,))~~  
6 ~~trade((r))~~ and economic development to administer energy policy  
7 functions ~~((and manage energy site evaluation council activities under~~  
8 ~~RCW 43.21F.045(2)(m))~~);

9       ~~((bb))~~ (z) Staff employed by the department of community  
10 development to manage energy facility site evaluation council  
11 activities under RCW 43.21F.045(2)(m); and

12       (aa) Staff employed by Washington State University to administer  
13 energy education, applied research, and technology transfer programs  
14 under RCW 43.21F.045 as provided in RCW 28B.30.900(5).

15       (2) The following classifications, positions, and employees of  
16 institutions of higher education and related boards are hereby exempted  
17 from coverage of this chapter:

18       (a) Members of the governing board of each institution of higher  
19 education and related boards, all presidents, vice-presidents, and  
20 their confidential secretaries, administrative, and personal  
21 assistants; deans, directors, and chairs; academic personnel; and  
22 executive heads of major administrative or academic divisions employed  
23 by institutions of higher education; principal assistants to executive  
24 heads of major administrative or academic divisions; other managerial  
25 or professional employees in an institution or related board having  
26 substantial responsibility for directing or controlling program  
27 operations and accountable for allocation of resources and program  
28 results, or for the formulation of institutional policy, or for  
29 carrying out personnel administration or labor relations functions,  
30 legislative relations, public information, development, senior computer  
31 systems and network programming, or internal audits and investigations;  
32 and any employee of a community college district whose place of work is  
33 one which is physically located outside the state of Washington and who  
34 is employed pursuant to RCW 28B.50.092 and assigned to an educational  
35 program operating outside of the state of Washington;

36       (b) Student, part-time, or temporary employees, and part-time  
37 professional consultants, as defined by the Washington personnel  
38 resources board, employed by institutions of higher education and  
39 related boards;

1 (c) The governing board of each institution, and related boards,  
2 may also exempt from this chapter classifications involving research  
3 activities, counseling of students, extension or continuing education  
4 activities, graphic arts or publications activities requiring  
5 prescribed academic preparation or special training as determined by  
6 the board: PROVIDED, That no nonacademic employee engaged in office,  
7 clerical, maintenance, or food and trade services may be exempted by  
8 the board under this provision;

9 (d) Printing craft employees in the department of printing at the  
10 University of Washington.

11 (3) In addition to the exemptions specifically provided by this  
12 chapter, the Washington personnel resources board may provide for  
13 further exemptions pursuant to the following procedures. The governor  
14 or other appropriate elected official may submit requests for exemption  
15 to the Washington personnel resources board stating the reasons for  
16 requesting such exemptions. The Washington personnel resources board  
17 shall hold a public hearing, after proper notice, on requests submitted  
18 pursuant to this subsection. If the board determines that the position  
19 for which exemption is requested is one involving substantial  
20 responsibility for the formulation of basic agency or executive policy  
21 or one involving directing and controlling program operations of an  
22 agency or a major administrative division thereof, the Washington  
23 personnel resources board shall grant the request and such  
24 determination shall be final as to any decision made before July 1,  
25 1993. The total number of additional exemptions permitted under this  
26 subsection shall not exceed one percent of the number of employees in  
27 the classified service not including employees of institutions of  
28 higher education and related boards for those agencies not directly  
29 under the authority of any elected public official other than the  
30 governor, and shall not exceed a total of twenty-five for all agencies  
31 under the authority of elected public officials other than the  
32 governor.

33 The salary and fringe benefits of all positions presently or  
34 hereafter exempted except for the chief executive officer of each  
35 agency, full-time members of boards and commissions, administrative  
36 assistants and confidential secretaries in the immediate office of an  
37 elected state official, and the personnel listed in subsections (1)(j)  
38 through ~~((v), (y), (z), )~~ (u) and (x) and (2) of this section, shall  
39 be determined by the Washington personnel resources board. However,

1 beginning with changes proposed for the 1997-99 fiscal biennium,  
2 changes to the classification plan affecting exempt salaries must meet  
3 the same provisions for classified salary increases resulting from  
4 adjustments to the classification plan as outlined in RCW 41.06.152.

5 Any person holding a classified position subject to the provisions  
6 of this chapter shall, when and if such position is subsequently  
7 exempted from the application of this chapter, be afforded the  
8 following rights: If such person previously held permanent status in  
9 another classified position, such person shall have a right of  
10 reversion to the highest class of position previously held, or to a  
11 position of similar nature and salary.

12 Any classified employee having civil service status in a classified  
13 position who accepts an appointment in an exempt position shall have  
14 the right of reversion to the highest class of position previously  
15 held, or to a position of similar nature and salary.

16 A person occupying an exempt position who is terminated from the  
17 position for gross misconduct or malfeasance does not have the right of  
18 reversion to a classified position as provided for in this section.

19 **Sec. 402.** RCW 41.06.072 and 1995 c 399 s 59 are each amended to  
20 read as follows:

21 In addition to the exemptions set forth in this chapter, this  
22 chapter shall not apply within the departments of community(~~(, trade,~~  
23 ~~and economic)) development and trade and economic development to the  
24 director(~~(,)) and one confidential secretary for each department, the  
25 deputy directors, all assistant directors, the state historic  
26 preservation officer, and up to two professional staff members within  
27 the emergency management program.~~~~

28 **Sec. 403.** RCW 43.06.115 and 1998 c 245 s 47 are each amended to  
29 read as follows:

30 (1) The governor may, by executive order, after consultation with  
31 or notification of the executive-legislative committee on economic  
32 development created by chapter . . . (Senate Bill No. 5300), Laws of  
33 1993, declare a community to be a "military impacted area." A  
34 "military impacted area" means a community or communities, as  
35 identified in the executive order, that experience serious social and  
36 economic hardships because of a change in defense spending by the  
37 federal government in that community or communities.

1 (2) If the governor executes an order under subsection (1) of this  
2 section, the governor shall establish a response team to coordinate  
3 state efforts to assist the military impacted community. The response  
4 team may include, but not be limited to, one member from each of the  
5 following agencies: (a) The department of community(~~(, trade, and~~  
6 ~~economic)) development; (b) the department of trade and economic  
7 development; (c) the department of social and health services; (~~(e))~~  
8 (d) the employment security department; (~~(d))~~ (e) the state board for  
9 community and technical colleges; (~~(e))~~ (f) the higher education  
10 coordinating board; and (~~(f))~~ (g) the department of transportation.  
11 The governor may appoint a response team coordinator. The governor  
12 shall seek to actively involve the impacted community or communities in  
13 planning and implementing a response to the crisis. The governor may  
14 seek input or assistance from the community diversification advisory  
15 committee, and the governor may establish task forces in the community  
16 or communities to assist in the coordination and delivery of services  
17 to the local community. The state and community response shall  
18 consider economic development, human service, and training needs of the  
19 community or communities impacted.~~

20 **Sec. 404.** RCW 43.17.010 and 1993 sp.s. c 2 s 16, 1993 c 472 s 17,  
21 and 1993 c 280 s 18 are each reenacted and amended to read as follows:

22 There shall be departments of the state government which shall be  
23 known as (1) the department of social and health services, (2) the  
24 department of ecology, (3) the department of labor and industries, (4)  
25 the department of agriculture, (5) the department of fish and wildlife,  
26 (6) the department of transportation, (7) the department of licensing,  
27 (8) the department of general administration, (9) the department of  
28 community(~~(, trade, and economic)) development, (10) the department of~~  
29 veterans affairs, (11) the department of revenue, (12) the department  
30 of retirement systems, (13) the department of corrections, (~~(and))~~ (14)  
31 the department of health, (~~(and))~~ (15) the department of financial  
32 institutions, and (16) the department of trade and economic  
33 development, which shall be charged with the execution, enforcement,  
34 and administration of such laws, and invested with such powers and  
35 required to perform such duties, as the legislature may provide.

36 **Sec. 405.** RCW 43.17.020 and 1995 1st sp.s. c 2 s 2 are each  
37 amended to read as follows:

1        There shall be a chief executive officer of each department to be  
2 known as: (1) The secretary of social and health services, (2) the  
3 director of ecology, (3) the director of labor and industries, (4) the  
4 director of agriculture, (5) the director of fish and wildlife, (6) the  
5 secretary of transportation, (7) the director of licensing, (8) the  
6 director of general administration, (9) the director of community(~~ty~~  
7 ~~trade, and economic~~) development, (10) the director of veterans  
8 affairs, (11) the director of revenue, (12) the director of retirement  
9 systems, (13) the secretary of corrections, ((and)) (14) the secretary  
10 of health, ((and)) (15) the director of financial institutions, and  
11 (16) the director of trade and economic development.

12        Such officers, except the secretary of transportation and the  
13 director of fish and wildlife, shall be appointed by the governor, with  
14 the consent of the senate, and hold office at the pleasure of the  
15 governor. The secretary of transportation shall be appointed by the  
16 transportation commission as prescribed by RCW 47.01.041. The director  
17 of fish and wildlife shall be appointed by the fish and wildlife  
18 commission as prescribed by RCW 77.04.055.

19        **Sec. 406.** RCW 43.21F.025 and 1996 c 186 s 102 are each amended to  
20 read as follows:

21        (1) "Energy" means petroleum or other liquid fuels; natural or  
22 synthetic fuel gas; solid carbonaceous fuels; fissionable nuclear  
23 material; electricity; solar radiation; geothermal resources;  
24 hydropower; organic waste products; wind; tidal activity; any other  
25 substance or process used to produce heat, light, or motion; or the  
26 savings from nongeneration technologies, including conservation or  
27 improved efficiency in the usage of any of the sources described in  
28 this subsection;

29        (2) "Person" means an individual, partnership, joint venture,  
30 private or public corporation, association, firm, public service  
31 company, political subdivision, municipal corporation, government  
32 agency, public utility district, joint operating agency, or any other  
33 entity, public or private, however organized;

34        (3) "Director" means the director of the department ((~~of community,~~  
35 ~~trade, and economic development~~));

36        (4) "Assistant director" means the assistant director of the  
37 department ((~~of community, trade, and economic development~~))  
38 responsible for energy policy activities;

1 (5) "Department" means the department of ((community,)) trade((,))  
2 and economic development;

3 (6) "Distributor" means any person, private corporation,  
4 partnership, individual proprietorship, utility, including investor-  
5 owned utilities, municipal utility, public utility district, joint  
6 operating agency, or cooperative, which engages in or is authorized to  
7 engage in the activity of generating, transmitting, or distributing  
8 energy in this state; and

9 (7) "State energy strategy" means the document and energy policy  
10 direction developed under section 1, chapter 201, Laws of 1991  
11 including any related appendices.

12 **Sec. 407.** RCW 43.21F.045 and 1996 c 186 s 103 are each amended to  
13 read as follows:

14 (1) The department shall supervise and administer energy-related  
15 activities as specified in RCW 43.330.904 (as recodified by this act)  
16 and shall advise the governor and the legislature with respect to  
17 energy matters affecting the state.

18 (2) In addition to other powers and duties granted to the  
19 department, the department shall have the following powers and duties:

20 (a) Prepare and update contingency plans for implementation in the  
21 event of energy shortages or emergencies. The plans shall conform to  
22 chapter 43.21G RCW and shall include procedures for determining when  
23 these shortages or emergencies exist, the state officers and agencies  
24 to participate in the determination, and actions to be taken by various  
25 agencies and officers of state government in order to reduce hardship  
26 and maintain the general welfare during these emergencies. The  
27 department shall coordinate the activities undertaken pursuant to this  
28 subsection with other persons. The components of plans that require  
29 legislation for their implementation shall be presented to the  
30 legislature in the form of proposed legislation at the earliest  
31 practicable date. The department shall report to the governor and the  
32 legislature on probable, imminent, and existing energy shortages, and  
33 shall administer energy allocation and curtailment programs in  
34 accordance with chapter 43.21G RCW.

35 (b) Establish and maintain a central repository in state government  
36 for collection of existing data on energy resources, including:

37 (i) Supply, demand, costs, utilization technology, projections, and  
38 forecasts;

1 (ii) Comparative costs of alternative energy sources, uses, and  
2 applications; and

3 (iii) Inventory data on energy research projects in the state  
4 conducted under public and/or private auspices, and the results  
5 thereof.

6 (c) Coordinate federal energy programs appropriate for state-level  
7 implementation, carry out such energy programs as are assigned to it by  
8 the governor or the legislature, and monitor federally funded local  
9 energy programs as required by federal or state regulations.

10 (d) Develop energy policy recommendations for consideration by the  
11 governor and the legislature.

12 (e) Provide assistance, space, and other support as may be  
13 necessary for the activities of the state's two representatives to the  
14 Pacific northwest electric power and conservation planning council. To  
15 the extent consistent with federal law, the director shall request that  
16 Washington's council members request the administrator of the  
17 Bonneville power administration to reimburse the state for the expenses  
18 associated with the support as provided in the Pacific Northwest  
19 Electric Power Planning and Conservation Act (P.L. 96-501).

20 (f) Cooperate with state agencies, other governmental units, and  
21 private interests in the prioritization and implementation of the state  
22 energy strategy elements and on other energy matters.

23 (g) Serve as the official state agency responsible for coordinating  
24 implementation of the state energy strategy.

25 (h) No later than December 1, 1982, and by December 1st of each  
26 even-numbered year thereafter, prepare and transmit to the governor and  
27 the appropriate committees of the legislature a report on the  
28 implementation of the state energy strategy and other important energy  
29 issues, as appropriate.

30 (i) Provide support for increasing cost-effective energy  
31 conservation, including assisting in the removal of impediments to  
32 timely implementation.

33 (j) Provide support for the development of cost-effective energy  
34 resources including assisting in the removal of impediments to timely  
35 construction.

36 (k) Adopt rules, under chapter 34.05 RCW, necessary to carry out  
37 the powers and duties enumerated in this chapter.

1 (1) Provide administrative assistance, space, and other support as  
2 may be necessary for the activities of the energy facility site  
3 evaluation council, as provided for in RCW 80.50.030.

4 (m) Appoint staff as may be needed to administer energy policy  
5 functions ~~((and manage energy facility site evaluation council  
6 activities))~~. These employees are exempt from the provisions of  
7 chapter 41.06 RCW.

8 (3) To the extent the powers and duties set out under this section  
9 relate to energy education, applied research, and technology transfer  
10 programs they are transferred to Washington State University.

11 (4) To the extent the powers and duties set out under this section  
12 relate to energy efficiency in public buildings they are transferred to  
13 the department of general administration.

14 **Sec. 408.** RCW 43.160.030 and 1996 c 51 s 3 are each amended to  
15 read as follows:

16 (1) The community economic revitalization board is hereby created  
17 to exercise the powers granted under this chapter.

18 (2) The board shall consist of the chairman of and one minority  
19 member appointed by the speaker of the house of representatives from  
20 the committee of the house of representatives that deals with issues of  
21 economic development, the chairman of and one minority member appointed  
22 by the president of the senate from the committee of the senate that  
23 deals with issues of economic development, and the following members  
24 appointed by the governor: A recognized private or public sector  
25 economist; one port district official; one county official; one city  
26 official; one representative of the public; one representative of small  
27 businesses each from: (a) The area west of Puget Sound, (b) the area  
28 east of Puget Sound and west of the Cascade range, (c) the area east of  
29 the Cascade range and west of the Columbia river, and (d) the area east  
30 of the Columbia river; one executive from large businesses each from  
31 the area west of the Cascades and the area east of the Cascades. The  
32 appointive members shall initially be appointed to terms as follows:  
33 Three members for one-year terms, three members for two-year terms, and  
34 three members for three-year terms which shall include the chair.  
35 Thereafter each succeeding term shall be for three years. The chair of  
36 the board shall be selected by the governor. The members of the board  
37 shall elect one of their members to serve as vice-chair. The director  
38 of community(~~(, trade, and economic)~~) development, the director of

1 trade and economic development, the director of revenue, the  
2 commissioner of employment security, and the secretary of  
3 transportation shall serve as nonvoting advisory members of the board.

4 (3) Management services, including fiscal and contract services,  
5 shall be provided by the department to assist the board in implementing  
6 this chapter and the allocation of private activity bonds.

7 (4) Members of the board shall be reimbursed for travel expenses as  
8 provided in RCW 43.03.050 and 43.03.060.

9 (5) If a vacancy occurs by death, resignation, or otherwise of  
10 appointive members of the board, the governor shall fill the same for  
11 the unexpired term. Members of the board may be removed for  
12 malfeasance or misfeasance in office, upon specific written charges by  
13 the governor, under chapter 34.05 RCW.

14 (6) A member appointed by the governor may not be absent from more  
15 than fifty percent of the regularly scheduled meetings in any one  
16 calendar year. Any member who exceeds this absence limitation is  
17 deemed to have withdrawn from the office and may be replaced by the  
18 governor.

19 **Sec. 409.** RCW 43.163.060 and 1995 c 399 s 90 are each amended to  
20 read as follows:

21 (1) The authority is authorized to participate fully in federal and  
22 other governmental economic development finance programs and to take  
23 such actions as are necessary and consistent with this chapter to  
24 secure to itself and the people of the state the benefits of those  
25 programs and to meet their requirements.

26 (2) The authority shall coordinate its programs with those  
27 contributing to a common purpose found elsewhere in the departments of  
28 community(~~(, trade, and economic)~~) development, trade and economic  
29 development, agriculture or employment security, or any other  
30 department or organization of, or affiliated with, the state or federal  
31 government, and shall avoid any duplication of such activities or  
32 programs provided elsewhere. The departments of community(~~(, trade,~~  
33 ~~and economic)~~) development, trade and economic development,  
34 agriculture, employment security and other relevant state agencies  
35 shall provide to the authority all reports prepared in the course of  
36 their ongoing activities which may assist in the identification of  
37 unmet capital financing needs by small-sized and medium-sized  
38 businesses in the state.

1       **Sec. 410.** RCW 47.39.090 and 1995 c 399 s 123 are each amended to  
2 read as follows:

3       In developing the scenic and recreational highways program, the  
4 department shall consult with the department of community(~~(, trade, and~~  
5 ~~economic))~~ development, the department of trade and economic  
6 development, the department of natural resources, the parks and  
7 recreation commission, affected cities, towns, and counties, regional  
8 transportation planning organizations, state-wide bicycling  
9 organizations, and other interested parties. The scenic and  
10 recreational highways program may identify entire highway loops or  
11 similar tourist routes that could be developed to promote tourist  
12 activity and provide concurrent economic growth while protecting the  
13 scenic and recreational quality surrounding state highways.

14       **Sec. 411.** RCW 47.76.230 and 1995 c 380 s 4 are each amended to  
15 read as follows:

16       (1) The department of transportation shall continue its  
17 responsibility for the development and implementation of the state rail  
18 plan and programs, and the utilities and transportation commission  
19 shall continue its responsibility for intrastate rates, service, and  
20 safety issues.

21       (2) The department of transportation shall maintain an enhanced  
22 data file on the rail system. Proprietary annual station traffic data  
23 from each railroad and the modal use of major shippers shall be  
24 obtained to the extent that such information is available.

25       (3) The department of transportation shall provide technical  
26 assistance, upon request, to state agencies and local interests.  
27 Technical assistance includes, but is not limited to, the following:

28       (a) Rail project cost-benefit analyses conducted in accordance with  
29 methodologies recommended by the Federal Railroad Administration;

30       (b) Assistance in the formation of county rail districts and port  
31 districts; and

32       (c) Feasibility studies for rail service continuation and/or rail  
33 service assistance.

34       (4) With funding authorized by the legislature, the department of  
35 transportation, in collaboration with the department of community(~~(,~~  
36 ~~trade, and economic))~~ development, the department of trade and economic  
37 development, and local economic development agencies, and other  
38 interested public and private organizations, shall develop a

1 cooperative process to conduct community and business information  
2 programs and to regularly disseminate information on rail matters.

3 **Sec. 412.** RCW 50.38.030 and 1995 c 399 s 142 are each amended to  
4 read as follows:

5 The employment security department shall consult with the following  
6 agencies prior to the issuance of the state occupational forecast:

- 7 (1) Office of financial management;
- 8 (2) Department of community(~~(, trade, and economic)~~) development;
- 9 (3) Department of labor and industries;
- 10 (4) State board for community and technical colleges;
- 11 (5) Superintendent of public instruction;
- 12 (6) Department of social and health services;
- 13 (7) Department of trade and economic development;
- 14 ~~(8)~~ Work force training and education coordinating board; and
- 15 ~~((+8))~~ (9) Other state and local agencies as deemed appropriate by  
16 the commissioner of the employment security department.

17 These agencies shall cooperate with the employment security  
18 department, submitting information relevant to the generation of  
19 occupational forecasts.

20 **Sec. 413.** RCW 80.50.030 and 1996 c 186 s 108 are each amended to  
21 read as follows:

22 (1) There is created and established the energy facility site  
23 evaluation council.

24 (2)(a) The ~~((chairman))~~ chair of the council shall be appointed by  
25 the governor with the advice and consent of the senate, shall have a  
26 vote on matters before the council, shall serve for a term coextensive  
27 with the term of the governor, and is removable for cause. The  
28 ~~((chairman))~~ chair may designate a member of the council to serve as  
29 acting ~~((chairman))~~ chair in the event of the ~~((chairman's))~~ chair's  
30 absence. The ~~((chairman))~~ chair is a "state employee" for the purposes  
31 of chapter 42.52 RCW. As applicable, when attending meetings of the  
32 council, members may receive reimbursement for travel expenses in  
33 accordance with RCW 43.03.050 and 43.03.060, and are eligible for  
34 compensation under RCW 43.03.250.

35 (b) The ~~((chairman))~~ chair or a designee shall execute all official  
36 documents, contracts, and other materials on behalf of the council.  
37 The ~~((Washington state))~~ department of community(~~(, trade, and~~

1 economic)) development shall provide all administrative and staff  
2 support for the council. The director of the department of  
3 community(~~(, trade, and economic))~~ development has supervisory  
4 authority over the staff of the council and shall employ such personnel  
5 as are necessary to implement this chapter. Not more than three such  
6 employees may be exempt from chapter 41.06 RCW.

7 (3) The council shall consist of the directors, administrators, or  
8 their designees, of the following departments, agencies, commissions,  
9 and committees or their statutory successors:

- 10 (a) Department of ecology;
- 11 (b) Department of fish and wildlife;
- 12 (c) Department of health;
- 13 (d) Military department;
- 14 (e) Department of community(~~(, trade, and economic))~~ development;
- 15 (f) Utilities and transportation commission;
- 16 (g) Department of natural resources;
- 17 (h) Department of agriculture;
- 18 (i) Department of trade and economic development; and
- 19 (j) Department of transportation.

20 (4) The appropriate county legislative authority of every county  
21 wherein an application for a proposed site is filed shall appoint a  
22 member or designee as a voting member to the council. The member or  
23 designee so appointed shall sit with the council only at such times as  
24 the council considers the proposed site for the county which he or she  
25 represents, and such member or designee shall serve until there has  
26 been a final acceptance or rejection of the proposed site.

27 (5) The city legislative authority of every city within whose  
28 corporate limits an energy plant is proposed to be located shall  
29 appoint a member or designee as a voting member to the council. The  
30 member or designee so appointed shall sit with the council only at such  
31 times as the council considers the proposed site for the city which he  
32 or she represents, and such member or designee shall serve until there  
33 has been a final acceptance or rejection of the proposed site.

34 (6) For any port district wherein an application for a proposed  
35 port facility is filed subject to this chapter, the port district shall  
36 appoint a member or designee as a nonvoting member to the council. The  
37 member or designee so appointed shall sit with the council only at such  
38 times as the council considers the proposed site for the port district  
39 which he or she represents, and such member or designee shall serve

1 until there has been a final acceptance or rejection of the proposed  
2 site. The provisions of this subsection shall not apply if the port  
3 district is the applicant, either singly or in partnership or  
4 association with any other person.

5 **PART V**  
6 **MISCELLANEOUS**

7 NEW SECTION. **Sec. 501.** Part headings used in this act are not any  
8 part of the law.

9 NEW SECTION. **Sec. 502.** Sections 201 through 205, 223, and 225  
10 through 227 of this act are each added to chapter 43.31 RCW.

11 NEW SECTION. **Sec. 503.** Section 318 of this act expires December  
12 31, 2000.

13 NEW SECTION. **Sec. 504.** Sections 101 through 131, 201 through 229,  
14 301 through 347, 401 through 413, and 501 of this act take effect  
15 October 1, 1999.

16 NEW SECTION. **Sec. 505.** Sections 1 and 2 of this act are necessary  
17 for the immediate preservation of the public peace, health, or safety,  
18 or support of the state government and its existing public  
19 institutions, and take effect immediately."

20 **HB 2285** - S AMD - 495  
21 By Senator Prentice

22

23 On page 1, line 2 of the title, after "development;" strike the  
24 remainder of the title and insert "amending RCW 43.330.020, 43.63A.021,  
25 43.330.040, 43.330.050, 43.330.070, 43.330.125, 43.330.135, 43.31.855,  
26 43.31.857, 43.63A.066, 43.63A.115, 43.63A.125, 43.63A.155, 43.63A.245,  
27 43.63A.247, 43.63A.260, 43.63A.275, 43.63A.400, 43.63A.410, 43.63A.440,  
28 43.63A.460, 43.63A.600, 43.330.152, 43.330.155, 43.330.156, 43.330.904,  
29 43.63A.230, 43.330.065, 43.330.080, 43.330.145, 43.31.057, 43.31.093,  
30 43.31.205, 43.31.409, 43.31.422, 43.31.504, 43.31.522, 43.31.524,  
31 43.31.641, 43.31.830, 43.31.840, 43.63A.700, 43.31.960, 43.17.065,

1 19.02.050, 24.46.010, 28B.20.283, 28B.20.289, 28B.20.293, 28B.30.537,  
2 28B.50.262, 28B.65.040, 28B.65.050, 28B.65.060, 28B.109.020,  
3 28C.04.440, 28C.04.460, 28C.18.060, 36.01.120, 36.110.030, 43.07.360,  
4 43.21A.510, 43.21A.515, 43.21A.612, 43.23.035, 43.160.020, 43.160.115,  
5 43.160.180, 43.163.020, 43.163.120, 43.168.020, 43.168.031, 43.170.020,  
6 43.172.011, 43.210.030, 43.210.050, 43.210.060, 43.330.092, 43.330.094,  
7 50.67.030, 50.72.030, 70.95.265, 70.95.810, 70.95H.007, 70.95H.050,  
8 76.09.030, 76.56.020, 77.12.710, 81.80.450, 88.12.275, 41.06.070,  
9 41.06.072, 43.06.115, 43.17.020, 43.21F.025, 43.21F.045, 43.160.030,  
10 43.163.060, 47.39.090, 47.76.230, 50.38.030, and 80.50.030; reenacting  
11 and amending RCW 43.17.010; adding new sections to chapter 43.330 RCW;  
12 adding new sections to chapter 43.31 RCW; creating new sections;  
13 recodifying RCW 43.31.855, 43.31.857, 43.63A.021, 43.63A.066,  
14 43.63A.067, 43.63A.105, 43.63A.115, 43.63A.125, 43.63A.150, 43.63A.155,  
15 43.63A.190, 43.63A.215, 43.63A.240, 43.63A.245, 43.63A.247, 43.63A.249,  
16 43.63A.260, 43.63A.265, 43.63A.270, 43.63A.275, 43.63A.400, 43.63A.410,  
17 43.63A.420, 43.63A.440, 43.63A.460, 43.63A.465, 43.63A.4651,  
18 43.63A.470, 43.63A.475, 43.63A.480, 43.63A.485, 43.63A.490, 43.63A.500,  
19 43.63A.510, 43.63A.550, 43.63A.600, 43.63A.610, 43.63A.620, 43.63A.630,  
20 43.63A.640, 43.63A.650, 43.63A.660, 43.63A.670, 43.63A.680, 43.63A.720,  
21 43.63A.725, 43.63A.730, 43.63A.735, 43.63A.740, 43.63A.900, 43.63A.901,  
22 43.63A.902, 43.63A.903, 43.330.152, 43.330.155, 43.330.156, 43.63A.075,  
23 43.63A.230, 43.63A.700, 43.63A.710, 43.63A.715, 43.330.060, 43.330.065,  
24 43.330.080, 43.330.090, 43.330.092, 43.330.094, 43.330.095, 43.330.096,  
25 43.330.145, 43.63A.690, and 43.330.904; repealing RCW 43.330.005,  
26 43.330.007, 43.330.010, 43.330.900, and 43.31.800; providing an  
27 effective date; providing expiration dates; and declaring an  
28 emergency."

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