
HOUSE BILL 1010

State of Washington

56th Legislature

1999 Regular Session

By Representatives DeBolt and Hatfield

Prefiled 12/23/98. Read first time 01/11/1999. Referred to Committee on Economic Development, Housing & Trade.

1 AN ACT Relating to the rural area marketing plan; amending RCW
2 43.168.140, 43.163.210, 43.160.080, 43.160.080, 19.85.011, 19.85.020,
3 19.85.025, 19.85.030, 19.85.040, 19.85.050, and 19.85.070; adding new
4 sections to chapter 43.31 RCW; adding a new section to chapter 28C.04
5 RCW; adding a new section to chapter 19.85 RCW; adding a new section to
6 chapter 43.63A RCW; and creating new sections.

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

8 NEW SECTION. **Sec. 1.** LEGISLATIVE RECOGNITION AND INTENT. The
9 legislature recognizes the economic hardship that rural distressed
10 areas throughout the state have undergone in recent years. Numerous
11 rural distressed areas across the state have encountered serious
12 economic downturns resulting in significant job loss and business
13 failure. In 1991 the legislature enacted two major pieces of
14 legislation to promote economic development and job creation, with
15 particular emphasis on worker training, income, and emergency services
16 support, along with community revitalization through planning services
17 and infrastructure assistance. However even though these programs have
18 been of assistance, rural distressed areas still face serious economic
19 problems including: Above-average unemployment rates from job losses

1 and below-average employment growth; low rate of business start-ups;
2 and persistent erosion of vitally important resource-driven industries.

3 The legislature also recognizes that rural distressed areas in
4 Washington have an abiding ability and consistent will to overcome
5 these economic obstacles by building upon their historic foundations of
6 business enterprise, local leadership, and outstanding work ethic.

7 The legislature intends to assist rural distressed areas in their
8 ongoing efforts to address these difficult economic problems by
9 providing a comprehensive and significant array of economic tools,
10 necessary to harness the persistent and undaunted spirit of enterprise
11 that resides in the citizens of rural distressed areas throughout the
12 state.

13 The further intent of this act is to provide:

14 (1) A strategically designed plan of assistance, emphasizing state,
15 local, and private sector leadership and partnership;

16 (2) A comprehensive and significant array of business assistance,
17 services, and tax incentives that are accountable and performance
18 driven;

19 (3) An array of community assistance including infrastructure
20 development and business retention, attraction, and expansion programs
21 that will provide a competitive advantage to rural distressed areas
22 throughout Washington; and

23 (4) Regulatory relief to reduce and streamline zoning, permitting,
24 and regulatory requirements in order to enhance the capability of
25 businesses to grow and prosper in rural distressed areas.

26 NEW SECTION. **Sec. 2.** GOALS. The primary goals of chapter . . . ,
27 Laws of 1999 (this act) are to:

28 (1) Promote the ongoing operation of business in rural distressed
29 areas;

30 (2) Promote the expansion of existing businesses in rural
31 distressed areas;

32 (3) Attract new businesses to rural distressed areas;

33 (4) Assist in the development of new businesses from within rural
34 distressed areas;

35 (5) Provide family wage jobs to the citizens of rural distressed
36 areas; and

37 (6) Promote the development of communities of excellence in rural
38 distressed areas.

1 (b) In situations where a business or entity in a rural enterprise
2 area is encountering regulatory oversight from more than one state
3 agency and is experiencing conflicting direction or confusing process,
4 the business or entity may petition the director to intercede. The
5 director upon review of the circumstances involved is authorized to
6 designate a lead agency to collaborate with other state agencies in
7 order to streamline and reduce the regulatory difficulties.

8 (c) Businesses or entities in a rural enterprise zone may petition
9 the director for an accelerated zoning, permitting, or regulatory
10 process. The director upon reviewing the petition and the
11 circumstances involved may make a finding of regulatory unfairness and
12 may direct the state agency or agencies to process the business or
13 entities application in an expeditious manner with a maximum timeline
14 of six months from the director's receipt of the petition.

15 (4) "Brown Fields" Program. The office shall develop with the
16 department of ecology and recommend to the legislature a streamlined
17 and cost-effective process to redevelop hazardous industrial sites in
18 order to promote business growth in rural distressed areas.

19 (5) Rural enterprise zone development and foreign trade zone. The
20 office is authorized to provide technical assistance to local
21 governments in rural distressed areas to establish rural enterprise
22 zones and foreign trade zones. The office shall target rural
23 enterprise zones and foreign trade zones in the delivery of its
24 services in order to maximize the impact of its economic development
25 assistance as outlined in section 18 of this act to businesses and
26 rural distressed areas.

27 NEW SECTION. **Sec. 4.** A new section is added to chapter 43.31 RCW
28 to read as follows:

29 OFFICE ADMINISTRATION. The office shall be administered by a
30 director appointed by the director of community, trade, and economic
31 development, in consultation with the rural distressed areas economic
32 recovery coordination board. The office director shall coordinate
33 activities with the rural distressed areas resource coordinator and
34 report on the activities and performance of the office on a quarterly
35 basis.

36 NEW SECTION. **Sec. 5.** A new section is added to chapter 28C.04 RCW
37 to read as follows:

1 JOB SKILLS/RURAL DISTRESSED AREA EMPLOYEE TRAINING. At least
2 seventy-five percent of all discretionary expenditures in the job
3 skills program shall be made to assist businesses in rural distressed
4 areas. For the purposes of this section, "rural distressed area" means
5 the same as "rural natural resources impact area" under RCW 43.31.601.

6 **Sec. 6.** RCW 43.168.140 and 1995 c 226 s 28 are each amended to
7 read as follows:

8 RURAL DISTRESSED AREAS. Any funds appropriated by the legislature
9 to the development loan fund for purposes of the timber recovery act
10 shall be used for development loans in rural (~~natural resources impact~~
11 ~~areas as defined in RCW 43.31.601~~) distressed areas. At least
12 seventy-five percent of all discretionary expenditures shall be made on
13 behalf of businesses in rural distressed areas. For the purposes of
14 this section, "rural distressed area" means the same as "rural natural
15 resources impact area" under RCW 43.31.601.

16 **Sec. 7.** RCW 43.163.210 and 1998 c 48 s 2 are each amended to read
17 as follows:

18 For the purpose of facilitating economic development in the state
19 of Washington and encouraging the employment of Washington workers at
20 meaningful wages:

21 (1) The authority may develop and conduct a program or programs to
22 provide nonrecourse revenue bond financing for the project costs for
23 economic development activities.

24 (2) The authority may develop and conduct a program that will
25 stimulate and encourage the development of new products within
26 Washington state by the infusion of financial aid for invention and
27 innovation in situations in which the financial aid would not otherwise
28 be reasonably available from commercial sources. The authority is
29 authorized to provide nonrecourse revenue bond financing for this
30 program.

31 (a) For the purposes of this program, the authority shall have the
32 following powers and duties:

33 (i) To enter into financing agreements with eligible persons doing
34 business in Washington state, upon terms and on conditions consistent
35 with the purposes of this chapter, for the advancement of financial and
36 other assistance to the persons for the development of specific
37 products, procedures, and techniques, to be developed and produced in

1 this state, and to condition the agreements upon contractual assurances
2 that the benefits of increasing or maintaining employment and tax
3 revenues shall remain in this state and accrue to it;

4 (ii) Own, possess, and take license in patents, copyrights, and
5 proprietary processes and negotiate and enter into contracts and
6 establish charges for the use of the patents, copyrights, and
7 proprietary processes when the patents and licenses for products result
8 from assistance provided by the authority;

9 (iii) Negotiate royalty payments to the authority on patents and
10 licenses for products arising as a result of assistance provided by the
11 authority;

12 (iv) Negotiate and enter into other types of contracts with
13 eligible persons that assure that public benefits will result from the
14 provision of services by the authority; provided that the contracts are
15 consistent with the state Constitution;

16 (v) Encourage and provide technical assistance to eligible persons
17 in the process of developing new products;

18 (vi) Refer eligible persons to researchers or laboratories for the
19 purpose of testing and evaluating new products, processes, or
20 innovations; and

21 (vii) To the extent permitted under its contract with eligible
22 persons, to consent to a termination, modification, forgiveness, or
23 other change of a term of a contractual right, payment, royalty,
24 contract, or agreement of any kind to which the authority is a party.

25 (b) Eligible persons seeking financial and other assistance under
26 this program shall forward an application, together with an application
27 fee prescribed by rule, to the authority. An investigation and report
28 concerning the advisability of approving an application for assistance
29 shall be completed by the staff of the authority. The investigation
30 and report may include, but is not limited to, facts about the company
31 under consideration as its history, wage standards, job opportunities,
32 stability of employment, past and present financial condition and
33 structure, pro forma income statements, present and future markets and
34 prospects, integrity of management as well as the feasibility of the
35 proposed product and invention to be granted financial aid, including
36 the state of development of the product as well as the likelihood of
37 its commercial feasibility. After receipt and consideration of the
38 report set out in this subsection and after other action as is deemed
39 appropriate, the application shall be approved or denied by the

1 authority. The applicant shall be promptly notified of action by the
2 authority. In making the decision as to approval or denial of an
3 application, priority shall be given to those persons operating or
4 planning to operate businesses of special importance to Washington's
5 economy, including, but not limited to: (i) Existing resource-based
6 industries of agriculture, forestry, and fisheries; (ii) existing
7 advanced technology industries of electronics, computer and instrument
8 manufacturing, computer software, and information and design; and (iii)
9 emerging industries such as environmental technology, biotechnology,
10 biomedical sciences, materials sciences, and optics.

11 (3) The authority may also develop and implement, if authorized by
12 the legislature, such other economic development financing programs
13 adopted in future general plans of economic development finance
14 objectives developed under RCW 43.163.090.

15 (4) The authority shall develop a program and target their
16 resources in assisting rural distressed areas in their business and job
17 creation and assistance efforts under chapter . . . , Laws of 1999 (this
18 act). For the purposes of this section, "rural distressed area" means
19 the same as "rural natural resources impact area" under RCW 43.31.601.

20 (5) The authority may not issue any bonds for the programs
21 authorized under this section after June 30, 2004.

22 PART II

23 COMMUNITY INFRASTRUCTURE

24 **Sec. 8.** RCW 43.160.080 and 1992 c 235 s 10 are each amended to
25 read as follows:

26 PUBLIC FACILITIES CONSTRUCTION LOAN REVOLVING ACCOUNT. There shall
27 be a fund in the state treasury known as the public facilities
28 construction loan revolving account, which shall consist of all moneys
29 collected under this chapter, except moneys of the board collected in
30 connection with the issuance of industrial development revenue bonds,
31 and any moneys appropriated to it by law(~~(:—PROVIDED, That seventy-~~
32 ~~five percent of all principal and interest payments on loans made with~~
33 ~~the proceeds deposited in the account under section 901, chapter 57,~~
34 ~~Laws of 1983 1st ex. sess. shall be deposited in the general fund as~~
35 ~~reimbursement for debt service payments on the bonds authorized in RCW~~
36 ~~43.83.184)). Disbursements from the revolving account shall be on~~
37 authorization of the board. In order to maintain an effective

1 expenditure and revenue control, the public facilities construction
2 loan revolving account shall be subject in all respects to chapter
3 43.88 RCW.

4 **Sec. 9.** RCW 43.160.080 and 1998 c 321 s 30 are each amended to
5 read as follows:

6 There shall be a fund in the state treasury known as the public
7 facilities construction loan revolving account, which shall consist of
8 all moneys collected under this chapter, except moneys of the board
9 collected in connection with the issuance of industrial development
10 revenue bonds and moneys deposited in the distressed county public
11 facilities construction loan account under RCW 43.160.220, and any
12 moneys appropriated to it by law(~~(:—PROVIDED, That seventy five~~
13 ~~percent of all principal and interest payments on loans made with the~~
14 ~~proceeds deposited in the account under section 901, chapter 57, Laws~~
15 ~~of 1983 1st ex. sess. shall be deposited in the general fund as~~
16 ~~reimbursement for debt service payments on the bonds authorized in RCW~~
17 ~~43.83.184)). Disbursements from the revolving account shall be on~~
18 authorization of the board. In order to maintain an effective
19 expenditure and revenue control, the public facilities construction
20 loan revolving account shall be subject in all respects to chapter
21 43.88 RCW.

22 **PART III**

23 **REGULATORY FAIRNESS**

24 **Sec. 10.** RCW 19.85.011 and 1994 c 249 s 9 are each amended to read
25 as follows:

26 **RURAL DISTRESSED AREAS REGULATORY FAIRNESS ACT.** The legislature
27 finds that administrative rules adopted by state agencies can have a
28 disproportionate impact on the state's small businesses and rural
29 distressed areas because of the size of those businesses and
30 communities. This disproportionate impact reduces competition,
31 innovation, employment, and new employment opportunities, and threatens
32 the very existence of some small businesses and rural distressed areas.
33 The legislature therefore enacts the Regulatory Fairness Act with the
34 intent of reducing the disproportionate impact of state administrative
35 rules on small business and rural distressed areas.

1 **Sec. 11.** RCW 19.85.020 and 1994 c 249 s 10 are each amended to
2 read as follows:

3 Unless the context clearly indicates otherwise, the definitions in
4 this section apply through this chapter.

5 (1) "Small business" means any business entity, including a sole
6 proprietorship, corporation, partnership, or other legal entity, that
7 is owned and operated independently from all other businesses, that has
8 the purpose of making a profit, and that has fifty or fewer employees.

9 (2) "Small business or rural distressed areas economic impact
10 statement" means a statement meeting the requirements of RCW 19.85.040
11 prepared by a state agency pursuant to RCW 19.85.030.

12 (3) "Industry" means all of the businesses in this state in any one
13 four-digit standard industrial classification as published by the
14 United States department of commerce. However, if the use of a four-
15 digit standard industrial classification would result in the release of
16 data that would violate state confidentiality laws, "industry" means
17 all businesses in a three-digit standard industrial classification.

18 (4) "Rural distressed areas" means the same as natural resource
19 impact area under RCW 43.31.601.

20 **Sec. 12.** RCW 19.85.025 and 1997 c 409 s 212 are each amended to
21 read as follows:

22 (1) Unless an agency receives a written objection to the expedited
23 repeal of a rule, this chapter does not apply to a rule proposed for
24 expedited repeal pursuant to RCW 34.05.354. If an agency receives a
25 written objection to expedited repeal of the rule, this chapter applies
26 to the rule-making proceeding.

27 (2) This chapter does not apply to a rule proposed for expedited
28 adoption under RCW 34.05.230 (1) through (8), unless a written
29 objection is timely filed with the agency and the objection is not
30 withdrawn.

31 (3) This chapter does not apply to the adoption of a rule described
32 in RCW 34.05.310(4).

33 (4) An agency is not required to prepare a separate small business
34 or rural distressed areas economic impact statement under RCW 19.85.040
35 if it prepared an analysis under RCW 34.05.328 that meets the
36 requirements of a small business or rural distressed areas economic
37 impact statement, and if the agency reduced the costs imposed by the
38 rule on small business or rural distressed areas to the extent required

1 by RCW 19.85.030(3). The portion of the analysis that meets the
2 requirements of RCW 19.85.040 shall be filed with the code reviser and
3 provided to any person requesting it in lieu of a separate small
4 business or rural distressed areas economic impact statement.

5 **Sec. 13.** RCW 19.85.030 and 1995 c 403 s 402 are each amended to
6 read as follows:

7 (1) In the adoption of a rule under chapter 34.05 RCW, an agency
8 shall prepare a small business or rural distressed areas economic
9 impact statement: (a) If the proposed rule will impose more than minor
10 costs on businesses in an industry or rural distressed areas; or (b) if
11 requested to do so by a majority vote of the joint administrative rules
12 review committee within forty-five days of receiving the notice of
13 proposed rule making under RCW 34.05.320. However, if the agency has
14 completed the pilot rule process as defined by RCW 34.05.313 before
15 filing the notice of a proposed rule, the agency is not required to
16 prepare a small business or rural distressed areas economic impact
17 statement.

18 An agency shall prepare the small business or rural distressed
19 areas economic impact statement in accordance with RCW 19.85.040, and
20 file it with the code reviser along with the notice required under RCW
21 34.05.320. An agency shall file a statement prepared at the request of
22 the joint administrative rules review committee with the code reviser
23 upon its completion before the adoption of the rule. An agency shall
24 provide a copy of the small business or rural distressed areas economic
25 impact statement to any person requesting it.

26 An agency may request assistance from (~~the business assistance~~
27 ~~center~~) the affected businesses or rural distressed areas in the
28 preparation of the small business or rural distressed areas economic
29 impact statement.

30 (2) (~~The business assistance center~~) Agencies shall develop
31 guidelines to assist (~~agencies~~) in determining whether a proposed
32 rule will impose more than minor costs on businesses in an industry or
33 rural distressed areas and therefore require preparation of a small
34 business or rural distressed areas economic impact statement. The
35 (~~business assistance center~~) affected businesses or rural distressed
36 areas may review an agency determination that a proposed rule will not
37 impose such costs, and shall advise the joint administrative rules

1 review committee on disputes involving agency determinations under this
2 section.

3 (3) Based upon the extent of disproportionate impact on small
4 business or rural distressed areas identified in the statement prepared
5 under RCW 19.85.040, the agency shall, where legal and feasible in
6 meeting the stated objectives of the statutes upon which the rule is
7 based, reduce the costs imposed by the rule on small businesses or
8 rural distressed areas. Methods to reduce the costs on small
9 businesses or rural distressed areas may include:

10 (a) Reducing, modifying, or eliminating substantive regulatory
11 requirements;

12 (b) Simplifying, reducing, or eliminating recordkeeping and
13 reporting requirements;

14 (c) Reducing the frequency of inspections;

15 (d) Delaying compliance timetables;

16 (e) Reducing or modifying fine schedules for noncompliance; or

17 (f) Any other mitigation techniques.

18 **Sec. 14.** RCW 19.85.040 and 1995 c 403 s 403 are each amended to
19 read as follows:

20 (1) A small business or rural distressed areas economic impact
21 statement must include a brief description of the reporting,
22 recordkeeping, and other compliance requirements of the proposed rule,
23 and the kinds of professional services that a small business or rural
24 distressed areas is likely to need in order to comply with such
25 requirements. It shall analyze the costs of compliance for businesses
26 or rural distressed areas required to comply with the proposed rule
27 adopted pursuant to RCW 34.05.320, including costs of equipment,
28 supplies, labor, and increased administrative costs. It shall
29 consider, based on input received, whether compliance with the rule
30 will cause businesses or rural distressed areas to lose sales or
31 revenue. To determine whether the proposed rule will have a
32 disproportionate impact on small businesses or rural distressed areas,
33 the impact statement must compare the cost of compliance for small
34 business or rural distressed areas with the cost of compliance for the
35 ten percent of businesses or rural distressed areas that are the
36 largest businesses or rural distressed areas required to comply with
37 the proposed rules using one or more of the following as a basis for
38 comparing costs:

- 1 (a) Cost per employee;
- 2 (b) Cost per hour of labor; or
- 3 (c) Cost per one hundred dollars of sales.

4 (2) A small business or rural distressed areas economic impact
5 statement must also include:

6 (a) A statement of the steps taken by the agency to reduce the
7 costs of the rule on small businesses or rural distressed areas as
8 required by RCW 19.85.030(3), or reasonable justification for not doing
9 so, addressing the options listed in RCW 19.85.030(3);

10 (b) A description of how the agency will involve small businesses
11 and rural distressed areas in the development of the rule; and

12 (c) A list of industries or rural distressed areas that will be
13 required to comply with the rule. However, this subsection (2)(c)
14 shall not be construed to preclude application of the rule to any
15 business ((or)), industry, or rural distressed areas to which it would
16 otherwise apply.

17 (3) To obtain information for purposes of this section, an agency
18 may survey a representative sample of affected businesses ((or)), trade
19 associations, and rural distressed areas and should, whenever possible,
20 appoint a committee under RCW 34.05.310(2) to assist in the accurate
21 assessment of the costs of a proposed rule, and the means to reduce the
22 costs imposed on small business and rural distressed areas.

23 **Sec. 15.** RCW 19.85.050 and 1989 c 175 s 74 are each amended to
24 read as follows:

25 (1) Within one year after ((June 10, 1982)) the effective date of
26 this act, each agency shall publish and deliver to the office of
27 financial management and to all persons who make requests of the agency
28 for a copy of a plan to periodically review all rules then in effect
29 and which have been issued by the agency which have an economic impact
30 on more than twenty percent of all industries or ten percent of the
31 businesses in any one industry or significant number of rural
32 distressed areas. Such plan may be amended by the agency at any time
33 by publishing a revision to the review plan and delivering such revised
34 plan to the office of financial management and to all persons who make
35 requests of the agency for the plan. The purpose of the review is to
36 determine whether such rules should be continued without change or
37 should be amended or rescinded, consistent with the stated objectives
38 of applicable statutes, to minimize the economic impact on small

1 businesses or rural distressed areas as described by this chapter. The
2 plan shall provide for the review of all such agency rules in effect on
3 (~~June 10, 1982~~) the effective date of this act, within ten years of
4 that date.

5 (2) In reviewing rules to minimize any significant economic impact
6 of the rule on small businesses or rural distressed areas as described
7 by this chapter, and in a manner consistent with the stated objectives
8 of applicable statutes, the agency shall consider the following
9 factors:

10 (a) The continued need for the rule;

11 (b) The nature of complaints or comments received concerning the
12 rule from the public;

13 (c) The complexity of the rule;

14 (d) The extent to which the rule overlaps, duplicates, or conflicts
15 with other state or federal rules, and, to the extent feasible, with
16 local governmental rules; and

17 (e) The degree to which technology, economic conditions, or other
18 factors have changed in the subject area affected by the rule.

19 (3) Each year each agency shall publish a list of rules which are
20 to be reviewed pursuant to this section during the next twelve months
21 and deliver a copy of the list to the office of financial management
22 and all persons who make requests of the agency for the list. The list
23 shall include a brief description of the legal basis for each rule as
24 described by RCW 34.05.360, and shall invite public comment upon the
25 rule.

26 **Sec. 16.** RCW 19.85.070 and 1992 c 197 s 1 are each amended to read
27 as follows:

28 When any rule is proposed for which a small business or rural
29 distressed areas economic impact statement is required, the adopting
30 agency shall provide notice to small businesses and rural distressed
31 areas of the proposed rule through any of the following:

32 (1) Direct notification of known interested small businesses
33 (~~or~~), trade organizations, and rural distressed areas affected by the
34 proposed rule; or

35 (2) Providing information of the proposed rule making to
36 publications likely to be obtained by small businesses and the
37 legislative authority of rural distressed areas of the types affected
38 by the proposed rule.

1 NEW SECTION. **Sec. 17.** A new section is added to chapter 19.85 RCW
2 to read as follows:

3 The office of business assistance and recruitment for rural
4 distressed areas is authorized to:

5 (1) Petition state agencies for regulatory relief for businesses or
6 other entities in rural distressed areas that encounter regulatory
7 problems;

8 (2) Designate a lead state agency when businesses or other entities
9 in a rural enterprise zone are encountering conflicting or confusing
10 regulatory requirements from more than one state agency; and

11 (3) Direct a state regulatory agency or agencies to accelerate a
12 permitting, zoning, or regulatory requirement according to the
13 requirements outlined in section 3(3) of this act. The maximum time
14 length of the accelerated process is six months from the time of the
15 petition to the office by the business or entity located in a rural
16 area enterprise zone.

17 NEW SECTION. **Sec. 18.** A new section is added to chapter 43.63A
18 RCW to read as follows:

19 RURAL ENTERPRISE ZONES. The legislature recognizes the unique
20 difficulties encountered by communities in rural distressed areas
21 wishing to promote business development, increase employment
22 opportunities, and provide a high quality of life for its citizens. In
23 response the legislature authorizes the establishment of rural
24 enterprise zones that will allow the targeting of state services and
25 resources in the form of business, industry recruitment, regulatory
26 relief, and infrastructure development. It is the intent of the
27 legislature to provide the critical level of resources and services to
28 businesses and entities located in these rural enterprise zones that
29 they will be the catalyst for economic prosperity and diversity
30 throughout rural distressed areas in Washington.

31 (1) The department in cooperation with the department of revenue
32 and other state agencies shall approve applications submitted by local
33 governments in rural distressed areas. The application shall be in the
34 form and manner and contain the necessary information designated by the
35 department. The application shall:

36 (a) Be submitted on behalf of the local government by the chief
37 elected official or, if none, by the governing body of the local
38 government;

1 (b) Outline the purpose for the economic development enterprise
2 zone and the process in which the application was developed;

3 (c) Demonstrate the level of government and community support for
4 the enterprise zone;

5 (d) Outline the manner in which the enterprise zone will be
6 governed and report its activities to the local government and the
7 department; and

8 (e) Designate the geographic area in which the rural enterprise
9 zone will exist.

10 (2) Rural enterprise zones are authorized to:

11 (a) Hire a director or designate an individual to oversee
12 operations;

13 (b) Seek federal, state, and local government support in its
14 efforts to target, develop, and attract viable businesses;

15 (c) Work with the office of business assistance and recruitment for
16 rural distressed areas in the pursuit of its economic development
17 activities;

18 (d) Provide a local one-stop shop for businesses intending to
19 locate, retain, expand, or start their businesses within its zone;

20 (e) Provide comprehensive permitting, zoning, and regulatory
21 assistance to businesses or entities within the zone; and

22 (f) Petition the office of business assistance and recruitment for
23 rural distressed areas for regulatory relief, or designation of a lead
24 regulatory agency, or accelerated permitting, zoning, or regulatory
25 process as provided in section 17 of this act.

26 (3) Rural enterprise zones are authorized to receive the services
27 and funding resources as provided under the rural area marketing plan
28 and other resources assisting rural distressed areas.

29 (4) Rural enterprise zones may be established in conjunction with
30 a foreign trade zone.

31 **PART IV**
32 **EVALUATION**

33 NEW SECTION. **Sec. 19.** REVIEW AND EVALUATION. The joint
34 legislative audit and review committee shall design an evaluation
35 mechanism for economically distressed counties under this act and
36 undertake an evaluation of this act's effectiveness by November 1,

1 2000. The agencies implementing the programs under this act shall
2 assist the joint legislative audit and review committee evaluation.

3 **PART V**

4 **MISCELLANEOUS**

5 NEW SECTION. **Sec. 20.** If any part of this act is found to be in
6 conflict with federal requirements that are a prescribed condition to
7 the allocation of federal funds to the state, the conflicting part of
8 this act is inoperative solely to the extent of the conflict and with
9 respect to the agencies directly affected, and this finding does not
10 affect the operation of the remainder of this act in its application to
11 the agencies concerned. The rules under this act shall meet federal
12 requirements that are a necessary condition to the receipt of federal
13 funds by the state.

14 NEW SECTION. **Sec. 21.** Section captions and part headings used in
15 this act are not any part of the law.

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