
Appropriations Committee

HB 1474

Brief Description: Splitting the department of community, trade, and economic development and reestablishing the department of community development and the department of trade and economic development.

Sponsors: Representatives Van Luven (co-prime sponsor), Veloria (co-prime sponsor), Fromhold, Dunn, Eickmeyer, Kessler, Kenney, Schmidt, Edmonds, Ogden and Santos; by request of Governor Locke.

Brief Summary of Bill

- Renames the Department of Community, Trade, and Economic Development (DCTED) the Department of Community Development (DCD) and reestablishes the Department of Trade and Economic Development (DTED) on July 1, 2002.
- Revises statutory references to DCTED for programs, boards, or commissions to either DCD, DTED, or both DCD and DTED.

Hearing Date: 1/28/02

Staff: Linda Brooks (786-7153).

Background:

The Department of Community, Trade and Economic Development (DCTED) was created in 1993 by the merger of the Department of Community Development (DCD) and the Department of Trade and Economic Development (DTED). The DCTED is the main state agency responsible for providing community and economic development assistance in the state; providing technical and financial assistance to local government, businesses, and community-based organizations; administering federal grants that are used for community and economic development activities; and conducting research and analysis to support community and economic development efforts at the state and local level.

The key service areas of DCTED are: (1) Local government assistance that support development through growth management and infrastructure financing, and archaeology and historic preservation; (2) economic development that includes tourism promotion, film and video, business assistance, and rural economic development; (3) community services that

support local efforts to develop self-reliant individuals and families through prevention, intervention, technical assistance and advocacy programs; (4) housing and housing-related services that include emergency shelter assistance, manufacturing housing, and housing finance through the housing trust fund; (5) international trade assistance that includes import/export business development and export promotion through the state's foreign representative contractors; and (6) energy policy.

On May 15, 2000, Governor Locke issued Executive Directive (Number 00-03) that established the Washington State Office of Trade and Economic Development and the Washington State Office of Community Development within the Department of Community, Trade and Economic Development. The Governor's directive said that the department's programs were too numerous and diverse in nature to be well coordinated under one state agency and director.

Summary of Proposed Substitute:

Effective July 1, 2002, the Department of Community, Trade and Economic Development is renamed the Department of Community Development, and the Department of Trade and Economic Development is reestablished.

Department of Community Development

The DCD is responsible for promoting community development within the state by assisting communities to increase their economic vitality, while maintaining a health environment. The DCD consists of the existing divisions:

- 1) Community Services “ which consists of childrens services, community programs, the developmental disabilities council, and the office of crime victims advocacy;
- 2) Housing Services “ which consists of housing finance, housing improvements and preservation, and the state building code council;
- 3) Local Government “ which consists of community development programs, the local government fiscal note program, growth management, the office of archaeology and historic preservation, the public works board, and safe and drug free communities; and
- 4) the Energy Facility Site Evaluation Council.

Department of Trade and Economic Development

The DTED is responsible for working with local communities and businesses to respond to economic problems and challenges. The DTED consists of the following existing divisions:

- 1) Economic Development “ which consists of business technical assistance, business finance, the community economic assistance center, business development, the tourism, film and video office;
- 2) International Trade “ which consists of export/import development, and foreign

representative contractors;

3) Energy Policy; and

4) WorkFirst.

Miscellaneous Provisions

Statutory references to the DCTED are changed to either the DCD or the DTED, as appropriate. Statutory references to several boards and programs are revised to include both the DCD and the DTED.

Obsolete statutes that require local governments to review the need and demand for residential care or child care facilities and report their findings to the DCTED by September 30, 1990 are repealed.

The Clean Washington Center is moved into the DTED. The provisions related to findings, purpose, duties and responsibilities, and authority of the Clean Washington Center are repealed.

The Director of the DTED, or the director's designee, is a member of the Forest Practices Board.

Proposed Substitute Bill Compared to Original Bill:

The effective date for the split is July 1, 2002, rather than July 1, 2001.

Language is updated to reflect statutory changes enacted by the Legislature during the 2001 legislative session.

Additionally, the original bill as amended by the Trade and Economic Development Committee included a provision that prohibited the expenditure of any new general fund-state appropriations for any costs associated with splitting the DCTED into the DCD and the DTED. The proposed substitute bill removes that provision.

Appropriation: None.

Fiscal Note: Requested on January 21, 2002.

Effective Date: Ninety days after adjournment of session in which bill is passed.