

***Trade & Economic Development
Committee***

SSB 5370

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: *By Senate Committee on Ways & Means (originally sponsored by Senators Patterson, Prentice, Hale and Haugen; by request of Governor Locke).*

Brief Summary of Substitute 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, 2001.*
- *Revises appropriate statutory references to DCTED for programs, boards, or commissions to either DCD, DTED, or both DCD and DCTED, where appropriate.*
- *Makes the splitting of DCTED contingent upon funding in the 2001-2003 operating budget.*

Hearing Date: *3/17/01*

Staff: *Kenny Pittman (786-7392).*

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 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 the necessary 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 supports 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 include 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 an 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. In the Governor's directive it was noted that the department's programs were too numerous and diverse in nature to be well coordinated under one state agency and director.

Summary of Bill:

Effective July 1, 2001, the Department of Community, Trade, and Economic Development (DCTED) is renamed the Department of Community Development (DCD) and the Department of Trade and Economic Development (DTED) is reestablished.

Department of Community Development

The Department of Community Development (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 will consist of the divisions of: (1) Community Services “ which consist of programs in the areas of children services, community programs, developmental disabilities council, and office of crime victims advocacy; (2) Housing Services “ which consist of programs in the areas of housing finance, housing improvements and preservation, and state building code council; (3) Local Government “ which consist of programs in the areas of community development programs, fiscal note program, growth management, office of archaeology and historic preservation, public works board, and safe and drug free communities; and (4) Energy Facility Site Evaluation Council.

Department of Trade and Economic Development

The Department of Trade and Economic Development (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 programs in the area of business technical assistance, business finance, community economic assistance center, business development, tourism, film and video office; (2) International Trade “ which consist of programs in the area of export/import

development, and foreign representative contractors; (3) Energy Policy; and (4) M:\Data\WP\5370.HBA.sgm WorkFirst.

Miscellaneous Provisions

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

Obsolete statues 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 state's Forest Practices Board.

Appropriation: *None. If specific funding to cover costs associated with the split is not provided in the 2001-2003 operating budget, the bill is null and void.*

Fiscal Note: *Available.*

Effective Date: *The bill contains an emergency clause and takes effect on July 1, 2001.*