

CERTIFICATION OF ENROLLMENT
SECOND SUBSTITUTE SENATE BILL 6667

Chapter 165, Laws of 2010

61st Legislature
2010 Regular Session

SMALL BUSINESS ASSISTANCE--INCREASED ACCESS PLAN

EFFECTIVE DATE: 06/10/10

Passed by the Senate March 9, 2010
YEAS 44 NAYS 4

BRAD OWEN

President of the Senate

Passed by the House March 5, 2010
YEAS 61 NAYS 36

FRANK CHOPP

Speaker of the House of Representatives

Approved March 22, 2010, 2:55 p.m.

CHRISTINE GREGOIRE

Governor of the State of Washington

CERTIFICATE

I, Thomas Hoemann, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SECOND SUBSTITUTE SENATE BILL 6667** as passed by the Senate and the House of Representatives on the dates hereon set forth.

THOMAS HOEMANN

Secretary

FILED

March 22, 2010

**Secretary of State
State of Washington**

SECOND SUBSTITUTE SENATE BILL 6667

AS AMENDED BY THE HOUSE

Passed Legislature - 2010 Regular Session

State of Washington 61st Legislature 2010 Regular Session

By Senate Ways & Means (originally sponsored by Senators Kauffman and Kastama)

READ FIRST TIME 02/09/10.

1 AN ACT Relating to business assistance programs; amending RCW
2 43.330.060 and 28B.30.530; and creating a new section.

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

4 NEW SECTION. **Sec. 1.** The legislature finds that small businesses
5 and entrepreneurs are a fundamental source of economic and community
6 vitality for our state. They employ state residents, pay state taxes,
7 purchase goods and services from local and regional companies, and
8 contribute to our communities in many other ways. The legislature
9 finds that small businesses and entrepreneurs need increased access to
10 capital and technical assistance in order to maximize their potential.
11 The legislature intends that the department of commerce and the small
12 business development center each build upon their existing relevant
13 statutory missions and authorities by collaborating on a specific plan
14 to expand services to small businesses and entrepreneurs beginning in
15 the 2011-2013 biennium.

16 **Sec. 2.** RCW 43.330.060 and 2005 c 136 s 13 are each amended to
17 read as follows:

18 (1) The department shall (a) assist in expanding the state's role

1 as an international center of trade, culture, and finance; (b) promote
2 and market the state's products and services both nationally and
3 internationally; (c) work in close cooperation with other private and
4 public international trade efforts; (d) act as a centralized location
5 for the assimilation and distribution of trade information; and (e)
6 establish and operate foreign offices promoting overseas trade and
7 commerce.

8 (2) The department shall identify and work with Washington
9 businesses that can use local, state, and federal assistance to
10 increase domestic and foreign exports of goods and services.

11 (3) The department shall work generally with small businesses and
12 other employers to facilitate resolution of siting, regulatory,
13 expansion, and retention problems. This assistance shall include but
14 not be limited to assisting in workforce training and infrastructure
15 needs, identifying and locating suitable business sites, and resolving
16 problems with government licensing and regulatory requirements. The
17 department shall identify gaps in needed services and develop steps to
18 address them including private sector support and purchase of these
19 services.

20 (4) The department shall work to increase the availability of
21 capital to small businesses by developing new and flexible investment
22 tools; by assisting in targeting and improving the efficiency of
23 existing investment mechanisms; and by assisting in the procurement of
24 managerial and technical assistance necessary to attract potential
25 investors.

26 (5) The department shall assist women and minority-owned businesses
27 in overcoming barriers to entrepreneurial success. The department
28 shall contract with public and private agencies, institutions, and
29 organizations to conduct entrepreneurial training courses for minority
30 and women-owned businesses. The instruction shall be intensive,
31 practical training courses in financing, marketing, managing,
32 accounting, and recordkeeping for a small business, with an emphasis on
33 federal, state, local, or private programs available to assist small
34 businesses. Instruction shall be offered in major population centers
35 throughout the state at times and locations that are convenient for
36 minority and women small business owners.

37 (6)(a) Subject to the availability of amounts appropriated for this
38 specific purpose, by December 1, 2010, the department, in conjunction

1 with the small business development center, must prepare and present to
2 the governor and appropriate legislative committees a specific,
3 actionable plan to increase access to capital and technical assistance
4 to small businesses and entrepreneurs beginning with the 2011-2013
5 biennium. In developing the plan, the department and the center may
6 consult with the Washington state microenterprise association, and with
7 other government, nonprofit, and private organizations as necessary.
8 The plan must identify:

9 (i) Existing sources of capital and technical assistance for small
10 businesses and entrepreneurs;

11 (ii) Critical gaps and barriers to availability of capital and
12 delivery of technical assistance to small businesses and entrepreneurs;

13 (iii) Workable solutions to filling the gaps and removing barriers
14 identified in (a)(ii) of this subsection; and

15 (iv) The financial resources and statutory changes necessary to put
16 the plan into effect beginning with the 2011-2013 biennium.

17 (b) With respect to increasing access to capital, the plan must
18 identify specific, feasible sources of capital and practical mechanisms
19 for expanding access to it.

20 (c) The department and the center must include, within the analysis
21 and recommendations in (a) of this subsection, any specific gaps,
22 barriers, and solutions related to rural and low-income communities and
23 small manufacturers interested in exporting.

24 **Sec. 3.** RCW 28B.30.530 and 2009 c 486 s 1 are each amended to read
25 as follows:

26 (1) The board of regents of Washington State University shall
27 establish the Washington State University small business development
28 center.

29 (2) The center shall provide management and technical assistance
30 including but not limited to training, counseling, and research
31 services to small businesses throughout the state. The center shall
32 work with the department of (~~community, — trade, — and — economic~~
33 ~~development~~) commerce, the state board for community and technical
34 colleges, the higher education coordinating board, the workforce
35 training and education coordinating board, the employment security
36 department, the Washington state economic development commission,

1 associate development organizations, and workforce development councils
2 to:

3 (a) Integrate small business development centers with other state
4 and local economic development and workforce development programs;

5 (b) Target the centers' services to small businesses;

6 (c) Tailor outreach and services at each center to the needs and
7 demographics of entrepreneurs and small businesses located within the
8 service area;

9 (d) Establish and expand small business development center
10 satellite offices when financially feasible; and

11 (e) Coordinate delivery of services to avoid duplication.

12 (3) The administrator of the center may contract with other public
13 or private entities for the provision of specialized services.

14 (4) The small business development center may accept and disburse
15 federal grants or federal matching funds or other funds or donations
16 from any source when made, granted, or donated to carry out the
17 center's purposes. When drawing on funds from the business assistance
18 account created in RCW ~~((30.60.010))~~ 28B.30.531, the center must first
19 use the funds to make increased management and technical assistance
20 available to existing small businesses and start-up businesses at
21 satellite offices. The funds may also be used to develop and expand
22 assistance programs such as small business planning workshops and small
23 business counseling.

24 ~~((The legislature directs the small business development center
25 to request United States small business administration approval of a
26 special emphasis initiative, as permitted under 13 C.F.R. 130.340(c) as
27 of April 1, 2009, to target assistance to Washington state's smaller
28 businesses. This initiative would be negotiated and included in the
29 first cooperative agreement application process that occurs after July
30 26, 2009.~~

31 ~~((6))~~) By ~~((December 1, 2009, and))~~ December 1, 2010,
32 ~~((respectively,))~~ the center shall provide a written progress report
33 and a final report to the appropriate committees of the legislature
34 with respect to the requirements in subsection ~~((s))~~ (2) ~~((and (5)))~~ of
35 this section and the amount and use of funding received through the
36 business assistance account. The reports must also include data on the
37 number, location, staffing, and budget levels of satellite offices;
38 affiliations with community colleges, associate development

1 organizations or other local organizations; the number, size, and type
2 of small businesses assisted; and the types of services provided. The
3 reports must also include information on the outcomes achieved, such as
4 jobs created or retained, private capital invested, and return on the
5 investment of state and federal dollars.

6 (6)(a) Subject to the availability of amounts appropriated for this
7 specific purpose, by December 1, 2010, the center, in conjunction with
8 the department of commerce, must prepare and present to the governor
9 and appropriate legislative committees a specific, actionable plan to
10 increase access to capital and technical assistance to small businesses
11 and entrepreneurs beginning with the 2011-2013 biennium. In developing
12 the plan, the center and the department may consult with the Washington
13 state microenterprise association, and with other government,
14 nonprofit, and private organizations as necessary. The plan must
15 identify:

16 (i) Existing sources of capital and technical assistance for small
17 businesses and entrepreneurs;

18 (ii) Critical gaps and barriers to availability of capital and
19 delivery of technical assistance to small businesses and entrepreneurs;

20 (iii) Workable solutions to filling the gaps and removing barriers
21 identified in (a)(ii) of this subsection; and

22 (iv) The financial resources and statutory changes necessary to put
23 the plan into effect beginning with the 2011-2013 biennium.

24 (b) With respect to increasing access to capital, the plan must
25 identify specific, feasible sources of capital and practical mechanisms
26 for expanding access to it.

27 (c) The center and the department must include, within the analysis
28 and recommendations in (a) of this subsection, any specific gaps,
29 barriers, and solutions related to rural and low-income communities and
30 small manufacturers interested in exporting.

Passed by the Senate March 9, 2010.

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Approved by the Governor March 22, 2010.

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