CERTIFICATION OF ENROLLMENT

HOUSE BILL 1818

Chapter 324, Laws of 2013

63rd Legislature
2013 Regular Session

ECONOMIC DEVELOPMENT--STREAMLINING PROJECTS

EFFECTIVE DATE: 07/28/13

Passed by the House March 9, 2013
   Yeas 97 Nays 0

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate April 28, 2013
   Yeas 46 Nays 0

BRAD OWEN

President of the Senate

Approved May 21, 2013, 2:38 p.m.

CERTIFICATE

I, Barbara Baker, Chief Clerk of
the House of Representatives of
the State of Washington, do hereby
certify that the attached is **HOUSE
BILL 1818** as passed by the House of
Representatives and the Senate on
the dates hereon set forth.

BARBARA BAKER

Chief Clerk

FILED

May 21, 2013

JAY INSLEE

Governor of the State of Washington

Secretary of State
State of Washington

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HOUSE BILL 1818
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Passed Legislature - 2013 Regular Session

State of Washington   **63rd Legislature**   **2013 Regular Session**

By Representatives Smith, Maxwell, Magendanz, Morris, Hargrove, Sells, Angel, Ryu, Hayes, Zeiger, Vick, O'Ban, Morrell, Bergquist, Stonier, and Fey

Read first time 02/11/13. Referred to Committee on Technology & Economic Development.

1   AN ACT Relating to promoting economic development through business
2 and government streamlining projects; adding a new section to chapter
3 43.330 RCW; and creating a new section.

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

5   NEW SECTION. **Sec. 1.** (1) The legislature finds that: Since 2010,
6 the department of commerce and the office of regulatory assistance have
7 convened and coordinated a number of cross-agency collaborative
8 regulatory streamlining efforts focused on improving the regulatory
9 experience for small businesses, while maintaining public health and
10 safety; the department of commerce has established efficient and
11 effective regulation as one of its four global priorities to support
12 the mission to grow and improve jobs; the state auditor's office issued
13 a regulatory performance audit in 2012 identifying many agency actions
14 that can also improve the business community's ability to comply with
15 regulatory requirements; and the Washington state economic development
16 commission's 2012 comprehensive statewide strategy emphasized the need
17 for smarter regulations in order to achieve long-term global
18 competitiveness, prosperity, and economic opportunity for all the
19 state's citizens.

1   (2) The legislature further finds that while individual agency
2   streamlining activities result in improvements, businesses are required
3   to interact with many state and local agencies, all with unique
4   requirements, processes, forms, instructions, payment options, and
5   electronic transaction capabilities. Cross-agency and cross-
6   jurisdictional regulatory improvements are needed to meaningfully
7   improve the overall business customer experience and ability to more
8   easily understand and comply with requirements.

9   (3) Therefore, the legislature intends to authorize a business
10 regulatory efficiency program administered by the department of
11 commerce with the goal of providing an improved regulatory environment
12 in Washington. By enhancing, simplifying, and better coordinating
13 state and local regulatory processes for specific industry sectors, the
14 amount of time it takes businesses to conduct their interactions with
15 state government will decrease, compliance will increase, and
16 businesses will have the opportunity to generate more revenue and
17 create more jobs, thereby strengthening Washington's economy and
18 overall global competitiveness.

19   NEW SECTION. **Sec. 2.** A new section is added to chapter 43.330 RCW
20 to read as follows:
21   (1) The department, in collaboration with the office of regulatory
22 assistance and the office of accountability and performance, must
23 conduct multijurisdictional regulatory streamlining projects that each
24 impact a specific industry sector or subsector within a specific
25 geographical location. Planning for an initial pilot project must
26 begin by September 1, 2013, and the initial pilot project must be
27 underway by December 31, 2013. One or more projects must be
28 implemented in each subsequent calendar year through 2019.
29   (2) The department must establish and implement a competitive
30 process and select a minimum of one applicant comprised of a public-
31 private partnership for participation in each project. The initial
32 pilot project must focus on the manufacturing sector. The department,
33 in consultation with the economic development commission, must
34 determine the sectors for subsequent projects. The criteria to be used
35 to select projects must include:
36   (a) Evidence of strong business commitment to the project;

(b) Evidence of strong commitment by the local government
jurisdictions where the project is located to allocate necessary staff
to the project and to streamline laws, rules, and administrative
process requirements both within their jurisdictions and
collaboratively across jurisdictions;

(c) Willingness to apply lean principles and tools to streamline
the business regulatory experience;

(d) Identification of a lead partner capable of providing project
management and coordination of partners;

(e) Support of the stakeholders necessary to implement the project;

(f) A plan and capacity to complete the project within the time
frame; and

(g) A minimum of fifty percent match must be provided from project
partners. The match may be cash, in-kind, or a combination of cash and
in-kind.

(3) The department is encouraged to collaborate with nonprofit
industry organizations, the private sector, foundations, and other
interested entities to successfully complete each project.

(4) The department must pursue opportunities for nonstate funding
as the match to the fifty percent or more provided by project partners.
A maximum of fifty thousand dollars of state funds may be used for a
project.

(5) The department may contract with a third party for expertise
and facilitation.

(6) All state agencies with regulatory requirements that impact the
project's industry sector must participate.

(7) The state agencies, local jurisdictions, business partners, and
other participants must jointly:

(a) Develop a project plan to conduct a cross-jurisdictional review
process;

(b) Identify and review all laws, rules, and administrative
processes and requirements pertaining to the selected sector;

(c) Apply specific criteria to evaluate the extent to which the
laws, rules, and administrative processes and requirements provide for
consistent, clear, and efficient customer experiences while continuing
to maintain public health, safety, and environmental standards;

(d) Develop an implementation plan and schedule that identifies
priority streamlining actions;

1   (e) Present their recommendations to the department for comment and
2   endorsement; and
3   (f) Present their recommendations to the Washington state economic
4   development commission for comment, endorsement, and evaluation.
5   (8) The department must document and distribute the streamlined
6   laws, rules, processes, and other potentially replicable information,
7   derived from the projects to the association of Washington cities and
8   Washington state association of counties for distribution to their
9   membership.
10   (9) The department must brief the economic development committees
11   of the legislature by January 15, 2014, on the status of the initial
12   pilot project, and must submit a report on the outcomes of the projects
13   to the economic development committees of the legislature by January
14   15th of each calendar year, from 2015 through 2020. The department
15   must include in the reports any streamlining recommendations identified
16   in the projects that require statutory changes for implementation and
17   any potentially replicable models, approaches, and tools that could be
18   applied to other sectors and geographical areas.

       Passed by the House March 9, 2013.
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