# FINAL BILL REPORT EHB 1313

# C 299 L 99

Synopsis as Enacted

**Brief Description:** Revising rural development law.

**Sponsors:** Representatives Schoesler, DeBolt, Doumit, Hatfield, Kessler, Pennington, Grant and Eickmeyer.

House Committee on Economic Development, Housing & Trade Senate Committee on Agriculture & Rural Economic Development Senate Committee on Ways & Means

### **Background:**

Washington's Rural Development Council was developed in 1990 as part of a national initiative designed to improve the delivery and accessibility of resources to meet the needs of rural communities. In 1997, the Washington State Rural Development Council (WSRDC) was established in statute. The council is governed by an 11 member executive committee appointed by the Governor. The members include representatives of business, natural resources, agriculture, environment, economic development, education, health, human services, counties, cities, and tribal governments. At least 90 percent of the members of the executive committee must reside in rural areas. The duties of the WSRDC include: (1) informing the Governor, Legislature, and state and federal agencies on rural community development issues; (2) identifying and recommending improvements to existing resource delivery systems; and (3) serving as a liaison between rural communities and public and private resource providers.

State agencies are encouraged to contribute financially to the council. Authority for the council expires June 30, 2003.

For one year after leaving state employment, the state ethics law prohibits a state employee from accepting employment with an employer if, in the immediately preceding two years, the employee was involved in negotiating or administering contracts with that employer on behalf of the state, and the duties of the new employment will including fulfilling or implementing the provisions of these contracts.

#### **Summary:**

House Bill Report - 1 - EHB 1313

The WSRDC executive committee and the Department of Community, Trade, and Economic Development are authorized to establish a successor organization to the executive committee for the purpose of improving the delivery and accessibility of resources for meeting the needs of rural communities in Washington. The successor organization must be a private nonprofit corporation created specifically to assume responsibility for administering the funds provided to carry out this purpose. The organization must qualify as a tax-exempt nonprofit corporation under section 501(c)(3) of the federal Internal Revenue Code. The executive committee and the department are given authorization to take all steps necessary to effect the transfer of the committee to the successor organization. The department may contract to provide funding to the successor organization, subject to appropriation.

The successor organization to the WSRDC executive committee is not considered an employer for the purposes of the future employment prohibitions contained in the state ethics law. (Thus, an employee of the council may accept employment with the successor organization without regard to the one-year waiting period.)

The expiration date for the existing WSRDC is accelerated to June 30, 2000. Authority for the successor organization expires June 30, 2002.

# **Votes on Final Passage:**

House 96 0 Senate 42 1

Effective: July 25, 1999