

SHB 1870 - S COMM AMD
By Committee on Ways & Means

ADOPTED 03/01/2024

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** The legislature finds that Washington
4 ranks poorly among all states in the amount of federal grants
5 received relative to income taxes collected from its residents.

6 The legislature also finds that many of Washington's communities,
7 particularly in slow-growing rural areas, face an economic
8 development "chicken and egg" dilemma in which they need to secure
9 matching dollars in order to obtain federal economic development
10 dollars that would increase the local tax base, local revenue, and
11 local employment and incomes.

12 The legislature further finds that recent federal legislation
13 provides funding for economic development clusters that Washington
14 state has invested in as part of its economic development strategy,
15 including broadband and clean energy, buildings, and transportation.
16 The federal legislation includes the infrastructure investment and
17 jobs act, P.L. 117-58, the creating helpful incentives to produce
18 semiconductors and science act, P.L. 117-167, and the inflation
19 reduction act, P.L. 117-169.

20 The legislature further finds that increasing the availability of
21 federal grant dollars in local communities provides a benefit of a
22 reasonably general character to a significant part of the public.

23 Therefore, the legislature intends to continue and expand its
24 efforts to increase the capacity of the department of commerce to
25 assist local communities in successfully applying for federal grant
26 dollars including through providing local communities with state
27 matching funds for securing federal grants.

28 **Sec. 2.** RCW 43.330.070 and 1993 c 280 s 10 are each amended to
29 read as follows:

30 (1) The department shall work closely with local communities to
31 increase their capacity to respond to economic, environmental, and

1 social problems and challenges. The department shall coordinate the
2 delivery of development services and technical assistance to local
3 communities or regional areas. It shall promote partnerships between
4 the public and private sectors and between state and local officials
5 to encourage appropriate economic growth and opportunity in
6 communities throughout the state. The department shall promote
7 appropriate local development by: Supporting the ability of
8 communities to develop and implement strategic development plans;
9 assisting businesses to start up, maintain, or expand their
10 operations; encouraging public infrastructure investment and private
11 and public capital investment in local communities; supporting
12 efforts to manage growth and provide affordable housing and housing
13 services; providing for the identification and preservation of the
14 state's historical and cultural resources; and expanding employment
15 opportunities.

16 (2) The department shall define a set of services including
17 training and technical assistance that it will make available to
18 local communities, community-based nonprofit organizations, regional
19 areas, or businesses. The department shall simplify access to these
20 programs by providing more centralized and user-friendly information
21 and referral. The department shall coordinate community and economic
22 development efforts to minimize program redundancy and maximize
23 accessibility. The department shall develop a set of criteria for
24 targeting services to local communities. To the extent funding is
25 made available for this purpose, the department shall provide
26 technical assistance or enter into contracts to provide technical
27 assistance to assist local communities in developing competitive
28 applications for federal funding.

29 (3) The department shall develop a coordinated and systematic
30 approach to providing training to community-based nonprofit
31 organizations, local communities, and businesses. The approach shall
32 be designed to increase the economic and community development skills
33 available in local communities by providing training and funding for
34 training for local citizens, nonprofit organizations, and businesses.
35 The department shall emphasize providing training in those
36 communities most in need of state assistance.

37 **Sec. 3.** RCW 43.330.088 and 2023 c 311 s 2 are each amended to
38 read as follows:

1 (1) Subject to the availability of amounts appropriated for this
2 specific purpose, by July 1, 2024, the department shall establish a
3 grant program to support associate development organizations in the
4 recruiting, hiring, and retention of grant writers. The department
5 must award grants on an annual basis and must prioritize grants for
6 distressed areas as defined under RCW 43.168.020 and grants for
7 applications for federal funds.

8 (2) Associate development organizations must apply for the grant
9 program in a manner to be determined by the department.

10 (3) Associate development organizations that receive awards under
11 this section must provide information on the use of the funds,
12 including a description of the associate development organization's
13 recruiting and hiring efforts and, if applicable, the number and
14 types of grants applied for by the grant writers funded by the state,
15 in their annual reports to the department required under RCW
16 43.330.082.

17 (4) Beginning December 31, 2026, the department must include
18 information on grant award funding and use in its reports to the
19 legislature on associate development organizations contracts required
20 under RCW 43.330.082.

21 (5) The department shall adopt rules to implement this section.

22 **Sec. 4.** RCW 43.330.260 and 2006 c 314 s 2 are each amended to
23 read as follows:

24 (1) The department shall make available, within existing
25 resources, an inventory of grant opportunities for state agencies,
26 local governments, and other community organizations engaged in
27 economic development activities.

28 (2) In developing the inventory of economic development grant
29 opportunities, the department may:

30 (a) Regularly review the federal register for opportunities to
31 apply for grants, research projects, and demonstration projects;

32 (b) Maintain an inventory of grant opportunities with private
33 foundations and businesses; (~~and~~)

34 (c) Provide a resource guide for applicants for federal grants,
35 including links to federal applications and relevant resources, and
36 contact information for department assistance; and

37 (d) Consult with federal officials, including but not limited to
38 those in the small business administration, the department of labor,
39 the department of commerce, the department of agriculture, the

1 department of ecology, as well as private foundations and businesses,
2 on the prospects for obtaining federal and private funds for economic
3 development purposes in Washington state.

4 (3) The department may also facilitate joint efforts between
5 agencies and between local organizations and state agencies that will
6 increase the likelihood of success in grant seeking and the
7 attraction of major events.

8 NEW SECTION. **Sec. 5.** If specific funding for the purposes of
9 this act, referencing this act by bill or chapter number, is not
10 provided by June 30, 2024, in the omnibus appropriations act, this
11 act is null and void."

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12 On page 1, line 2 of the title, after "funding;" strike the
13 remainder of the title and insert "amending RCW 43.330.070,
14 43.330.088, and 43.330.260; and creating new sections."

EFFECT: (1) Modifies the intent section for Department of
Commerce to continue and expand its efforts to assist local
communities in successfully applying for federal grant dollars.

(2) Removes the creation of the Moving Assets Towards Community
Health (MATCH) program.

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