

HOUSE BILL REPORT

HB 2526

*As Reported By House Committee on:
Agriculture & Rural Development
Appropriations*

Title: An act relating to the Washington rural development council.

Brief Description: Establishing the Washington rural development council.

Sponsor(s): Representatives Ludwig, Inslee, Bray, Chandler, Hochstatter, Valle, Rayburn, Moyer, Roland, Jacobsen, Haugen, Jones, McLean, Sprenkle and Rasmussen.

Brief History:

Reported by House Committee on:
Agriculture & Rural Development, February 4, 1992, DPS;
Appropriations, February 9, 1992, DPS(AG-A APP).

**HOUSE COMMITTEE ON
AGRICULTURE & RURAL DEVELOPMENT**

Majority Report: *The substitute bill be substituted therefor and the substitute bill do pass.* Signed by 11 members: Representatives Rayburn, Chair; Kremen, Vice Chair; Nealey, Ranking Minority Member; P. Johnson, Assistant Ranking Minority Member; Chandler; Grant; R. Johnson; Lisk; McLean; Rasmussen; and Roland.

Staff: Kenneth Hirst (786-7105).

Background: Article VIII, Section 8, and Article XXXII, Section 1 of the state's constitution, and state statutes authorize economic development activities by a number of governmental bodies including cities, towns, counties, port districts, and a variety of state entities. Among the state entities authorized to conduct or support such activities are: the state's Economic Development Board; the Department of Trade and Economic Development (DTED) and, within the department's Business Assistance Center, the Washington Investment Opportunities Office and Washington Marketplace Program; the Washington Economic Development Finance Authority and Community Economic Revitalization Board supported by DTED; and the Department of Community Development and the Community Revitalization Teams and Washington State Development Loan Fund Committee supported

by the department. In addition, the Legislature has established the Legislative Committee on Economic Development to review economic development issues.

Special tax programs have also been established for distressed areas, for manufacturing and research and development projects, and for targeted sector programs such as biotechnology and food processing.

By presidential initiative, a rural development council has been created.

Summary of Substitute Bill: The Legislature recognizes the efforts of the Washington State Rural Development Council and encourages state entities to participate in the council's activities.

The council must be located in a branch or agency of the federal or state government in accordance with a memorandum of understanding. The state's share of the costs incurred by the council are limited to those amounts appropriated for its use.

Substitute Bill Compared to Original Bill: The original bill created the council as a state entity, established its membership and duties, and subjected it to sunset review and termination. The substitute acknowledges the council's work and directs that it be located in accordance with a memorandum of understanding.

Fiscal Note: Available.

Effective Date of Substitute Bill: Ninety days after adjournment of session in which bill is passed.

Testimony For: (1) The bill recognizes the rural development council created by presidential order. It is one of eight councils created across the nation on a pilot project basis. (2) The council coordinates activities and expertise in addressing rural development.

Testimony Against: None.

Witnesses: Representative Ludwig (in favor); Steven Buxbaum, Washington State Rural Development Council (in favor); and Carol Washburn, Department of Health (in favor).

**HOUSE COMMITTEE ON
APPROPRIATIONS**

Majority Report: *The substitute bill by Committee on Agriculture & Rural Development be substituted therefor and the substitute bill as amended by Committee on Appropriations do pass.* Signed by 24 members: Representatives Locke, Chair; Inslee, Vice Chair; Spanel, Vice Chair; Silver, Ranking Minority Member; Morton, Assistant Ranking Minority Member; Appelwick; Belcher; Bowman; Brekke; Carlson; Dorn; Ebersole; Hine; Lisk; May; Mielke; Nealey; Peery; Pruitt; Rust; H. Sommers; Valle; Vance; and Wang.

Staff: Susan Nakagawa (786-7145).

Summary of Recommendation of Committee on Appropriations Compared to Recommendation of Committee on Agriculture & Rural Development: Language is added stating that the state's share of costs to support the council can come from either appropriations specifically for the council or from amounts allocated by the department.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This bill will help promote economic development in rural communities. The bill recognizes the efforts of the Rural Development Council, established under presidential initiative as the organization to help promote these activities.

Testimony Against: None.

Witnesses: Representative Curtis Ludwig.