
HOUSE BILL 2525

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By Representatives Ludwig, Inslee, Bray, Chandler, Rasmussen, Hochstatter, Cantwell, Valle, Moyer, Rayburn, Roland, Jacobsen, Jones, Paris, Franklin, Bowman, Scott, O'Brien, Forner and Edmondson

Read first time 01/20/92. Referred to Committee on Trade & Economic Development.

1 AN ACT Relating to urban/rural economic partnerships; amending RCW
2 43.63A.560; adding new sections to chapter 43.63A RCW; and creating new
3 sections.

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

5 NEW SECTION. **Sec. 1.** Economic vitality is an integral
6 component of each community in the state of Washington and is necessary
7 to ensure a high standard of living and job opportunities for each
8 citizen of the state. During the 1980's, the Puget Sound region has
9 experienced dramatic growth as compared to a moderate increase or even
10 economic decline in rural parts of the state. This economic disparity
11 has provided a unique opportunity for a meaningful economic partnership
12 between both areas of Washington that will assist in transferring
13 excessive business growth in the Puget Sound to rural areas that are in
14 need of increased business activity. The intent of this act in

1 establishing this partnership is to improve the quality of life across
2 Washington and provide quality job opportunities for each citizen of
3 the state.

4 **Sec. 2.** RCW 43.63A.560 and 1990 1st ex.s. c 17 s 67 are each
5 amended to read as follows:

6 (1) The department shall administer a grant program which makes
7 grants to (~~local~~) nonprofit organizations for rural economic
8 development or for sharing economic growth outside the Puget Sound
9 region. The grants shall be used to: (a) Develop urban-rural links;
10 (b) build local capacity for economic growth; (~~or~~) (c) improve the
11 export of products or services from rural areas to locations outside
12 the United States; or (d) assist business in high-growth urban areas to
13 locate new or expanded business operations in rural communities
14 throughout the state.

15 (2) The department shall consult with, and if necessary form an
16 advisory committee including, a diverse group of private sector
17 representatives including, but not limited to, major corporations,
18 commercial financial institutions, venture capitalists, small
19 businesses, natural resource businesses, and developers to determine
20 what opportunities for new investment and business growth might be
21 available for areas outside high-growth counties. The department shall
22 also consult with the department of trade and economic development.
23 The department shall seek to maximize and link new investment
24 opportunities to grant projects under this section.

25 (3) The department shall establish a project within the grant
26 program to assist businesses in high-growth urban areas in the Puget
27 Sound region to locate new or expanded business operations in rural
28 communities throughout the state. The department shall endeavor to
29 establish contracts with local governments, including local planning

1 departments, nonprofit agencies, or for-profit corporations that wish
2 to provide businesses in their high growth urban areas alternative
3 locations. The department may also establish contracts with local
4 governments including planning departments, nonprofit agencies, or for-
5 profit corporations that wish to assist businesses in locating in their
6 rural communities.

7 (4) The department may enact rules to carry out this section.

8 NEW SECTION. Sec. 3. A new section is added to chapter 43.63A RCW
9 to read as follows:

10 The department shall develop contract provisions in consultation
11 with local governments, nonprofit agencies, or for-profit corporations
12 that outline the following: The scope and degree of services provided
13 to new or expanding businesses; the time frame in which services are
14 provided to businesses; the responsibility of urban and rural
15 contractors to ensure complementary, nonduplicative services; and
16 guidelines for evaluating effectiveness of the program.

17 NEW SECTION. Sec. 4. A new section is added to chapter 43.63A RCW
18 to read as follows:

19 The department, in consultation and advice of the departments of
20 trade and economic development, employment security, and revenue, shall
21 provide the contract parties with general information on possible rural
22 industrial sites, local labor market information, and local economic
23 conditions.

24 NEW SECTION. Sec. 5. The department shall report to the
25 legislature by January 1, 1993, on the effectiveness of the project
26 under RCW 43.63A.560(3) and make recommendations on whether the project
27 should be continued, maintained, or expanded.