
ENGROSSED SUBSTITUTE SENATE BILL 5868

State of Washington

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By Senate Committee on Trade, Technology & Economic Development
(originally sponsored by Senators Skratek, Bluechel, Sheldon, Erwin,
Deccio, M. Rasmussen, Snyder, Gaspard and Winsley)

Read first time 03/03/93.

1 AN ACT Relating to consolidation of state agencies; amending RCW
2 28C.18.060, 43.17.010, 43.17.020, 19.85.020, 42.17.319, 43.17.065,
3 43.20A.750, 43.31.057, 43.31.085, 43.31.205, 43.31.409, 43.31.411,
4 43.31.422, 43.31.504, 43.31.522, 43.31.524, 43.31.526, 43.31.621,
5 43.31.641, 43.31.830, 43.31.840, 43.31.850, 43.160.020, 43.168.020,
6 43.210.110, 43.63A.066, 43.63A.075, 43.63A.115, 43.63A.155, 43.63A.220,
7 43.63A.230, 43.63A.245, 43.63A.247, 43.63A.260, 43.63A.275, 43.63A.300,
8 43.63A.320, 43.63A.330, 43.63A.340, 43.63A.400, 43.63A.410, 43.63A.440,
9 43.63A.450, 43.63A.460, 43.63A.600, 43.105.020, 43.31.091, and
10 43.31.092; reenacting and amending RCW 42.17.310; adding a new chapter
11 to Title 43 RCW; creating new sections; repealing RCW 43.31.005,
12 43.31.015, 43.31.025, 43.31.035, 43.31.045, 43.31.055, 43.31.065,
13 43.31.075, 43.31.095, 43.31.097, 43.31.105, 43.31.115, 43.31.130,
14 43.31.135, 43.31.373, 43.31.375, 43.31.377, 43.31.379, 43.31.381,
15 43.31.383, 43.31.387, 43.31.430, 43.31.432, 43.31.434, 43.31.436,
16 43.31.438, 43.31.440, 43.31.442, 43.31.651, 43.31.790, 43.31.800,
17 43.31.810, 43.31.820, 43.63A.020, 43.63A.030, 43.63A.040, 43.63A.050,
18 43.63A.060, 43.63A.065, 43.63A.078, 43.63A.095, 43.63A.100, 43.63A.130,
19 43.63A.140, 43.63A.210, 43.63A.560, 43.165.020, 43.165.030, 43.165.040,
20 43.165.050, 43.165.060, 43.165.070, 43.165.080, 43.165.090, 43.165.100,
21 43.165.900, and 43.165.901; and providing an effective date.

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

2 NEW SECTION. **Sec. 1.** The legislature finds that the long-term
3 health of the state and its citizens depends upon the availability of
4 family-wage jobs, the flexibility and innovativeness of business firms,
5 the skills and capacity of the work force, local communities that are
6 strong and adaptive, the availability of affordable housing, local and
7 regional planning to anticipate and plan for changing circumstances,
8 and infrastructure to support local social and economic needs, human
9 services, and safe communities. These factors are tied to one another
10 and are all critical to maintaining the state's quality of life and
11 economic health in the face of changing circumstances.

12 The legislature finds that as a result of the rapid pace of social
13 and economic change, maintaining the quality of life and standard of
14 living for the citizens of the state will require new and inventive
15 responses by communities, businesses, nonprofit institutions, and
16 individuals. The state can play a role in assisting such efforts by
17 reorganizing state assistance efforts to form partnerships with the
18 private and nonprofit sectors, requiring new partnerships at the local
19 level, and facilitating new relations within industries.

20 The legislature further finds that it is in the interest of the
21 state to create one agency to coordinate and assist self-sufficiency
22 programs for individuals, communities, and industries. The
23 consolidation of the department of trade and economic development and
24 the department of community development into one department will
25 improve the efficiency and effectiveness with which state services are
26 delivered to build the skill and capacity of our citizens, businesses,
27 and local communities to respond to economic change. Such a
28 consolidation will increase accountability to the public, the
29 executive, and the legislature for the performance of community and
30 economic development functions.

31 It is the intent of the legislature in consolidating the two
32 agencies that the community and economic development functions be
33 merged in a manner that allows the new department to direct state
34 resources of significant scope and scale to (1) communities or groups
35 of communities with the greatest relative economic need and the fewest
36 resources and (2) targeted sectors of the economy that have the
37 greatest potential for either wealth generation through value-added
38 production, or for negative economic impact on the state or its

1 communities. The legislature intends through this consolidation to
2 encourage state actions to build and diversify the economy to encourage
3 long-term, family-wage employment and promote and assist in providing
4 the physical and social infrastructure needed to support the creation
5 and maintenance of such employment. It is also the intent of the
6 legislature to support economic growth that is environmentally
7 sustainable and employment that is derived from maintaining the
8 environment and from sustainable use of natural resources.

9 It is the further intent of the legislature in this consolidation
10 to maximize the use of local expertise and local community resources in
11 the delivery of economic and community development services, and to
12 ensure that the services offered are the ones desired by the state's
13 community and business customers. The community services and community
14 development services of the department, such as growth management,
15 community services block grants, early childhood education, and the
16 housing trust fund shall be administered in accord with their
17 implementing legislation.

18 NEW SECTION. **Sec. 2.** (1) The purpose of this chapter is to
19 establish the broad outline of the structure of the department of
20 community and economic resources, leaving specific details of its
21 internal organization and management to those charged with its
22 administration.

23 (2) It is also the purpose of this chapter to establish a
24 department of the state to:

25 (a) Aid in providing financial and technical assistance to the
26 communities of the state, to assist in improving the delivery of
27 federal, state, and local programs, and to provide communities with
28 opportunities for productive and coordinated development beneficial to
29 the well-being of the communities and their residents;

30 (b) Assist firms and industries increase their competitiveness in
31 the world economy, diversify the state's economy, and increase the
32 environmental sustainability of the state's industries, so that they
33 may provide stable family-wage employment for the state's citizens; and

34 (c) Support local government and nonprofit institution programs
35 that help families and individuals reach economic self-sufficiency and
36 stabilize the communities in which they live.

1 NEW SECTION. **Sec. 3.** Unless the context clearly requires
2 otherwise, the definitions in this section apply throughout this
3 chapter.

4 (1) "Associate development organization" means a local economic
5 development nonprofit corporation.

6 (2) "Department" means the department of community and economic
7 resources.

8 (3) "Director" means the director of the department of community
9 and economic resources.

10 (4) "Small business" means any business entity, including a sole
11 proprietorship, corporation, partnership, or other legal entity, that
12 is owned and operated independently from all other businesses, that has
13 the purpose of making a profit, and that has fifty or fewer employees.

14 (5) "Distressed area" has the meaning in RCW 43.165.010.

15 (6) "Impact area" means (a) distressed counties as defined in RCW
16 43.165.010(3)(a); (b) subcounty areas in those counties which are not
17 covered under (a) of this subsection which are timber impact areas as
18 defined in RCW 43.31.601; (c) urban subcounty areas as defined in RCW
19 43.165.010(3)(c); and (d) areas not currently experiencing economic
20 distress which the department anticipates as likely to experience
21 distress in the near future, such as areas experiencing defense budget
22 reductions or suffering dislocations from natural resource issues such
23 as salmon recovery.

24 NEW SECTION. **Sec. 4.** A state department of community and economic
25 resources is created. The department shall be vested with all powers
26 and duties established or transferred to it under this chapter and such
27 other powers and duties as may be authorized by law.

28 NEW SECTION. **Sec. 5.** The executive head of the department shall
29 be the director. The director shall be appointed by the governor with
30 the consent of the senate, and shall serve at the pleasure of the
31 governor. The director shall be paid a salary to be fixed by the
32 governor in accordance with RCW 43.03.040.

33 NEW SECTION. **Sec. 6.** (1) The director shall supervise and
34 administer the activities of the department and shall advise the
35 governor and the legislature with respect to economic and community
36 development matters affecting the state.

1 (a) The director may:

2 (i) Enter into contracts on behalf of the state to carry out the
3 purposes of this chapter;

4 (ii) Act for the state in the initiation of or participation in any
5 multigovernmental program relative to the purpose of this chapter; and

6 (iii) Accept gifts and grants, whether such grants be of federal or
7 other funds;

8 (b) The director shall:

9 (i) Appoint such deputy directors, assistant directors, and up to
10 seven special assistants as may be needed to administer the department.
11 These employees are exempt from the provisions of chapter 41.06 RCW;

12 (ii) Prepare and submit for executive and legislative action on the
13 budget for the department;

14 (iii) Submit recommendations for legislative actions as are deemed
15 necessary to further the purposes of this chapter; and

16 (iv) Adopt rules in accordance with chapter 34.05 RCW and perform
17 all other functions necessary and proper to carry out the purposes of
18 this chapter.

19 (2) When federal or other funds are received by the department,
20 they shall be promptly transferred to the state treasurer and
21 thereafter expended only upon the approval of the director.

22 (3) The director may request information and assistance from all
23 other agencies, departments, and officials of the state, and may
24 reimburse such agencies, departments, or officials if such a request
25 imposes any additional expenses upon any such agency, department, or
26 official.

27 (4) The director shall, in carrying out the responsibilities of
28 office, consult with governmental officials, private groups, and
29 individuals and with officials of other states, and may, if the
30 director deems it desirable, hold public hearings to obtain information
31 to carry out the purposes of this chapter. All state agencies and
32 their officials and the officials of any political subdivision of the
33 state shall cooperate with and give such assistance to the department,
34 including the submission of requested information, to allow the
35 department to carry out its purposes under this chapter.

36 (5) The director may establish additional advisory or coordinating
37 groups with the legislature, within state government, with state and
38 other governmental units, with the private sector and nonprofit

1 entities or in specialized subject areas as may be necessary to carry
2 out the purposes of this chapter.

3 NEW SECTION. **Sec. 7.** The internal affairs of the department shall
4 be under the control of the director in order that the director may
5 manage the department in a flexible and intelligent manner as dictated
6 by changing contemporary circumstances. Unless specifically limited by
7 law, the director shall have complete charge and supervisory powers
8 over the department. The director may create such administrative
9 structures as the director deems appropriate, except as otherwise
10 specified by law, and the director may employ such personnel as may be
11 necessary in accordance with chapter 41.06 RCW.

12 NEW SECTION. **Sec. 8.** The department shall be responsible for
13 promoting community and economic development within the state by
14 assisting the state's communities to increase the quality of life of
15 their citizens and their economic vitality, and by assisting the
16 state's businesses to maintain and increase their economic
17 competitiveness, while maintaining a healthy environment. Community
18 and economic development efforts shall include: Efforts to increase
19 economic opportunity; local planning to accommodate growth while
20 maintaining a healthy environment; the promotion and provision of
21 affordable housing and housing-related services; providing public
22 infrastructure; business and trade development; assisting firms and
23 industrial sectors to increase their competitiveness; technology
24 development, transfer, and diffusion; community services; and public
25 safety efforts. The department shall have the following functions and
26 responsibilities:

27 (1) Provide advisory assistance to the governor, other state
28 agencies, and the legislature on community and economic development
29 matters and issues;

30 (2) Assist the governor in coordinating the activities of state
31 agencies that have an impact on local government and communities;

32 (3) Cooperate with the legislature and the governor in the
33 development and implementation of strategic plans for the state's
34 community and economic development efforts;

35 (4) Cooperate with and provide technical and financial assistance
36 to local governments, businesses and community-based organizations
37 serving the communities of the state for the purpose of aiding and

1 encouraging orderly, productive, and coordinated development of the
2 state, and, unless stipulated otherwise, give priority to local
3 communities with the greatest relative need and the fewest resources;

4 (5) Solicit private and federal grants for economic and community
5 development programs and administer such programs in conjunction with
6 other programs assigned to the department by the governor or the
7 legislature;

8 (6) Administer community services programs directed to the poor and
9 infirm through private, nonprofit organizations and units of general
10 purpose local government and coordinate these programs using, to the
11 extent possible, integrated case management methods, with other
12 community and economic development and self-sufficiency efforts of the
13 department;

14 (7) Undertake business development and retention efforts in
15 coordination with other state agencies, local governments, tribal
16 governments, and public and private local development groups seeking
17 new business investment and the expansion and retention of existing
18 businesses, including providing assistance to local organizations to
19 resolve environmental and natural resource issues related to economic
20 development;

21 (8) Identify and work with Washington businesses that can use
22 local, state, and federal assistance to increase domestic and foreign
23 exports and that are capable of increasing production of goods and
24 services;

25 (9) Market the state's products and services internationally in
26 close cooperation with other private and public international trade
27 efforts and act as a centralized location for the assimilation and
28 distribution of trade information;

29 (10) Assist in the production, development, rehabilitation,
30 preservation, and operation of owner-occupied or rental housing for low
31 and moderate-income persons; operate programs to assist home ownership,
32 offer housing services, and provide special needs housing services and
33 units; and qualify as a participating state agency for all programs of
34 the federal department of housing and urban development or its
35 successor;

36 (11) Coordinate and administer energy assistance and residential
37 energy rehabilitation programs of the federal and state government
38 through nonprofit organizations, local governments, and housing
39 authorities;

- 1 (12) Administer state and federal categorical or block grants in a
2 timely and cost-effective manner;
- 3 (13) Administer and coordinate targeted education programs assigned
4 to the department in an integrated manner in order to maximize the case
5 management value of such programs;
- 6 (14) Develop, or assist local governments in developing housing
7 plans required by the state or federal government;
- 8 (15) Participate with other states or subdivisions thereof in
9 interstate programs and assist cities, counties, municipal
10 corporations, governmental conferences or councils, and regional
11 planning commissions to participate with other states and provinces or
12 their subdivisions;
- 13 (16) Hold public hearings and meetings to carry out the purposes of
14 this chapter;
- 15 (17) Market and coordinate the attraction of visitors and
16 conventions to the state and the expansion of the tourism industry
17 throughout the state in cooperation with the visitor industry, as well
18 as public and private tourism development organizations;
- 19 (18) Promote, market, and encourage growth in the production of
20 films and videos, as well as television commercials, within the state;
- 21 (19) Administer family services and programs to promote the state's
22 policy as provided in RCW 74.14A.025;
- 23 (20) Conduct research and analysis in furtherance of the state's
24 economic and community development efforts including maintenance of
25 current information on market and economic trends as they affect
26 different industrial sectors, geographic regions, and communities with
27 special economic problems in the state;
- 28 (21) Provide support to strengthen local capacity for controlling
29 risk to life and property that may result from fires and emergencies,
30 and provide a comprehensive state-level focus for fire protection
31 services, funding, and policy;
- 32 (22) Provide for the identification and preservation of the state's
33 historical and cultural resources;
- 34 (23) Coordinate a comprehensive state program for mitigating,
35 preparing for, responding to, and recovering from emergencies and
36 disasters;
- 37 (24) Promote volunteerism and citizen service as a means for
38 accomplishing local community and economic development goals and
39 objectives; and

1 (25) Assist local governments to plan for new growth while
2 preserving environmental quality and open space.

3 NEW SECTION. **Sec. 9.** (1) The director of the department of trade
4 and economic development and the director of the department of
5 community development shall, by November 15, 1993, jointly submit a
6 plan to the governor for the consolidation and smooth transition of the
7 department of trade and economic development and the department of
8 community development into the department of community and economic
9 resources so that the departments will operate as a single entity on
10 July 1, 1994.

11 (2) The plan shall include:

12 (a) Strategies for a sectoral focus in economic development, a
13 targeted geographic focus in the delivery of economic and community
14 development services, and the integration of community-based approaches
15 in the delivery of economic development services;

16 (b) Implementation steps for the department's efforts at:

17 (i) Technology transfer and technology diffusion;

18 (ii) Linking work force training to its other community and
19 business assistance efforts;

20 (iii) Assisting local governments in planning and encouraging a
21 balance of economic growth between urban and rural areas;

22 (iv) Providing small business financial and technical assistance
23 including self-employment assistance and entrepreneurial development;

24 (v) Marketing and promotion of Washington products and enhancing
25 the participation of the state's businesses in global trade;

26 (vi) Coordination of federal, state, and local community and
27 economic development efforts with the state and maximizing federal
28 community and economic development resources within the state;

29 (vii) Leveraging limited state resources and broadening the base of
30 involvement by working collaboratively and forming partnerships with
31 private and public institutes of higher education and other public,
32 private, and nonprofit organizations;

33 (viii) Addressing the special needs of economically disadvantaged
34 communities and business sectors in transition; and

35 (ix) Carrying out the policy objectives set forth in section 10 of
36 this act.

1 (c) The establishment of benchmarks by which to measure progress
2 and the evaluation of the performance and effectiveness of the
3 department's efforts.

4 (3) In developing this plan, the directors shall consider existing
5 functions and programs of both agencies and make recommendations for
6 any changes in programs and functions.

7 (4) In developing this plan, the directors shall establish an
8 advisory committee of representatives of groups using services and
9 programs of both departments. The advisory committee shall include
10 representatives of cities, counties, port districts, businesses,
11 associate development organizations, low-income housing interests,
12 Indian tribes, community action programs, public safety groups,
13 community-based nonprofit development organizations, and any other
14 organizations the directors determine should have input to the plan.

15 NEW SECTION. **Sec. 10.** In the next four years after the effective
16 date of this section, the department shall pursue the following policy
17 objectives:

18 (1) Develop, promote, and support partnerships at the local and
19 regional level between local development organizations including local
20 governments, associate development organizations, community action
21 agencies, port districts, private industry councils, community-based
22 nonprofit development organizations, chambers of commerce, community
23 colleges, technical colleges, and other institutions of higher
24 education;

25 (2) Diversify the state economy in economic sectors that offer the
26 prospect of family-wage employment through (a) the establishment of
27 flexible networks of firms and (b) identification of problems and
28 opportunities in industrial competitiveness;

29 (3) Encourage development that maintains the health of the state's
30 environment while providing employment.

31 NEW SECTION. **Sec. 11.** (1) The local economic development service
32 program is established in the department. This program shall
33 coordinate the delivery of economic development services to local
34 communities or regional areas. It shall promote partnerships between
35 the public and private sectors and between state and local officials to
36 encourage appropriate economic growth in communities throughout the
37 state. The program shall promote local economic development by

1 assisting businesses to start up, maintain, or expand their operations,
2 by encouraging public infrastructure investment and private capital
3 investment in local communities, and by expanding employment
4 opportunities.

5 (2) The department's local economic development service program
6 shall, among other things, (a) contract with associate development
7 organizations for the delivery of economic development services to
8 local communities or regional areas; (b) enter into interagency
9 agreements with appropriate state agencies, such as the department of
10 agriculture and the employment security department, to coordinate the
11 delivery of economic development services to local communities or
12 regional areas; (c) enter into agreements with other public
13 organizations or institutions that provide economic development
14 services, such as the small business development center, the Washington
15 technology center, community colleges, technical colleges, the
16 University of Washington, Washington State University, four-year
17 colleges and universities, the federal small business administration,
18 ports, and others, to coordinate the delivery of economic development
19 services to local communities and regional areas; and (d) provide
20 training, through contracts with public or private organizations, and
21 other assistance to associate development organizations to the extent
22 resources allow.

23 (3) The department shall coordinate economic development efforts to
24 minimize program redundancy and maximize accessibility. The department
25 shall work to develop links between the state and service users as well
26 as among the service users themselves.

27 (4) It is the intent of the legislature that the associate
28 development organizations contracted with under this program shall
29 promote and coordinate, through local service agreements or other
30 methods, the delivery of economic development services in their areas
31 that are provided by public and private organizations, including state
32 agencies.

33 (5) The legislature encourages local associate development
34 organizations to form partnerships with other associate development
35 organizations in their region to combine resources for better access to
36 available services, to encourage regional delivery of state services,
37 and to more effectively build the local capacity of communities in the
38 region.

1 (6)(a) The department shall divide the state into service delivery
2 regions. In creating these regions, the department shall consult with
3 associate development organizations, port districts, and other local
4 economic development entities. The department may use a challenge
5 grant process to carry out the purposes of this section. Each region
6 shall meet the following criteria:

7 (i) Each region shall have a population of no less than one hundred
8 thousand;

9 (ii) Each region shall contain at least one institution of higher
10 education as defined in RCW 28B.10.016; and

11 (iii) Each region shall have organizations and resources capable of
12 supporting the delivery of community and economic development services
13 to all parts of the region.

14 The department shall minimize problems of accessibility to services
15 that result from a geographically large region, and maximize
16 commonalities between the communities in the region.

17 (b) In each service delivery region the department shall contract
18 with one associate development organization or a consortium of such
19 organizations, or another appropriate locally based organization to
20 coordinate the delivery of economic development services within the
21 region. The contracting organization shall work with local
22 governments, associate development organizations, local chambers of
23 commerce, private industry councils, port districts, labor groups,
24 institutions of higher education, community action programs, and other
25 appropriate private, public, or nonprofit community and economic
26 development groups within the region and shall involve them in the
27 planning for and delivery of economic development services required by
28 this section.

29 The contracting organization shall designate five traded sectors of
30 the region's economy that represent the five most significant sectors
31 within the region. The contracting organization shall survey
32 businesses and employees in these sectors on an annual basis to gather
33 information on the sector's business needs, expansion plans, relocation
34 decisions, training needs, potential layoffs, financing needs,
35 availability of financing, and other appropriate information about
36 economic trends and specific employer and employee needs in the region.
37 The results of these surveys shall be compiled by the department. The
38 contracting organization shall coordinate methodology for surveying

1 training needs with the work force training and education coordinating
2 board.

3 The contracting organization shall participate with the work force
4 training and education coordinating board, and any regional entities
5 designated by that board, in providing for the coordination of job
6 skills training within its region. The contracting organization shall
7 inform businesses of training providers within its region, and shall
8 inform training providers as to business training needs within its
9 region.

10 The contracting organization shall be responsible for coordinating
11 the delivery of those public or private technical assistance services
12 required by the businesses and employees in the targeted sectors within
13 its region, as indicated by survey responses. Such services shall
14 include entrepreneurial training, production process analysis, product
15 development assistance, marketing, and financial and other management
16 services. The contracting organization shall develop a list of
17 individuals, organizations, and firms qualified to meet specialized
18 training or business development needs.

19 The department's selection of contracting organizations or
20 consortiums shall be based on the sufficiency of the organization's or
21 consortium's proposal to carry out the survey of targeted sectors
22 within its region and coordinate the delivery of technical assistance
23 as required by this section.

24 NEW SECTION. **Sec. 12.** The department shall work with private
25 sector organizations, local governments, local economic development
26 organizations, and institutions of higher education to assist in the
27 development of a targeted sectors program. The targeted sectors may
28 include, but are not limited to, software, forest products,
29 biotechnology, environmental industries, aerospace, food processing,
30 tourism, film and video, microelectronics, new materials, robotics, and
31 machine tools. The department shall, on a continuing basis, evaluate
32 the potential return to the state from devoting additional resources to
33 a targeted sectors approach to economic development and including
34 additional sectors in its efforts. The department shall use the
35 sectorial surveys conducted in each service delivery region in
36 formulating its sectorial strategies and in designating new targeted
37 sectors.

1 In assisting in the development of a targeted sector, the
2 department's activities may include, but are not limited to:

3 (1) Conducting focus group discussions, facilitating meetings, and
4 conducting studies to identify members of the sector, appraise the
5 current state of the sector, and identify issues of common concern
6 within the sector;

7 (2) Supporting the formation of industry associations, publications
8 of association directories, and related efforts to create or expand the
9 activities or industry associations;

10 (3) Assisting in the formation of flexible networks by providing
11 (a) agency employees or private sector consultants trained to act as
12 flexible network brokers and (b) funding for potential flexible network
13 participants for the purpose of organizing or implementing a flexible
14 network;

15 (4) Helping establish research consortia;

16 (5) Facilitating joint training and education programs;

17 (6) Promoting cooperative market development activities;

18 (7) Analyzing the need, feasibility, and cost of establishing
19 product certification and testing facilities and services; and

20 (8) Providing for methods of electronic communication and
21 information dissemination among firms and groups of firms to facilitate
22 network activity.

23 By January 10th of each year, the department shall report in
24 writing on its targeted sector programs to the appropriate legislative
25 committees. The department's report shall include an appraisal of the
26 sector, activities the department has undertaken to assist in the
27 development of each sector, and recommendations to the legislature
28 regarding activities that the state should implement but are currently
29 beyond the scope of the department's program or resources.

30 NEW SECTION. **Sec. 13.** (1) The department shall establish a
31 technical assistance and training program. The program shall be
32 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 and businesses. Services shall be provided
35 in impact areas and shall be targeted to those communities most in need
36 of state assistance.

1 (2) The department shall provide direct technical assistance to
2 local communities to strengthen their role in building their local
3 economies. This assistance shall include, but not be limited to:

4 (a) Identifying emerging problems in impact areas for businesses,
5 workers, and communities and providing timely assistance;

6 (b) Evaluating the economic health of a community including its
7 economic base and its strengths, weaknesses, and opportunities;

8 (c) Assisting communities and nonprofit development entities in
9 developing local economic development strategies, including the
10 technical analysis necessary to carry out the strategies;

11 (d) Providing assistance to communities in broadening their local
12 economic base, including providing management and financial assistance,
13 entrepreneurial training, and assistance to firms in identifying new
14 markets and introducing new processes;

15 (e) Assisting communities in responding to economic change,
16 including supporting organizational and leadership development;

17 (f) Assisting local governments to facilitate the siting of
18 businesses;

19 (g) Facilitating the formation of flexible networks among groups of
20 businesses; and

21 (h) Providing technical and managerial assistance to small
22 businesses including assistance in securing available financing and
23 industrial modernization.

24 (3) The department shall administer a technical assistance funding
25 pool for the delivery to impact areas of technical assistance.

26 (4) The department shall establish a community development training
27 institute to provide intensive economic and community development
28 skills training to local communities.

29 (5) The department shall establish an entrepreneurial development
30 institute using a competitive bidding process among educational
31 institutions and nonprofit development organizations.

32 NEW SECTION. **Sec. 14.** (1) To provide local communities with
33 flexible sources of funding and community and economic development
34 programs, the department shall establish and operate a local
35 development grant program. The program shall coordinate funding for
36 eligible projects with other federal, state, local, private and
37 nonprofit funding sources. Federal community development block grant
38 funds administered by the state shall be administered in conjunction

1 with this program and the department shall, within federal guidelines,
2 give priority to economic development projects in the use of community
3 development block grant funds.

4 (2) To be eligible to receive funds under this program an
5 organization must be a local government, community-based organization,
6 nonprofit development organization, port district, or Indian tribe.
7 Any local government, associate development organization, or port
8 district requesting funds shall demonstrate the participation of a
9 cultural, economic, and ethnic cross-section of the local community in
10 the project, including business, labor, nonprofit community-based
11 organizations, and educational institutions.

12 (3) In awarding grants under this program, preference shall be
13 given to efforts that have the prospect of resulting in long-term,
14 family-wage employment, to development that is environmentally
15 sustainable, and to projects that are developed and supported jointly
16 with nonstate partners. Funds shall not be used for entertainment or
17 hosting. Funds granted for economic development projects require a
18 contribution of local funds or resources to the project. No less than
19 twenty-five percent of available grant funds awarded yearly under this
20 program shall be awarded to nonprofit, community-based organizations,
21 and no less than twenty-five percent of available grant funds awarded
22 yearly under this program shall be awarded to associate development
23 organizations.

24 (4) The grant program shall include the use of available community
25 development block grant funds, loan fund or reserve fund resources to
26 make grants to local development organizations for the establishment of
27 revolving loan funds for microloans to low-income individuals wishing
28 to become self-employed. Such grants shall be conditioned on the local
29 development organization's (a) operating a structured entrepreneurial
30 training program for its low-income clients and (b) requiring
31 participation in the training program before awarding a microloan to
32 those desiring a microloan.

33 **Sec. 15.** RCW 28C.18.060 and 1991 c 238 s 7 are each amended to
34 read as follows:

35 The board, in cooperation with the operating agencies of the state
36 training system shall:

1 (1) Concentrate its major efforts on planning, coordination
2 evaluation, policy analysis, and recommending improvements to the
3 state's training system.

4 (2) Advocate for the state training system and for meeting the
5 needs of employers and the work force for work force education and
6 training.

7 (3) Establish and maintain an inventory of the programs of the
8 state training system, and related state programs, and perform a
9 biennial assessment of the vocational education, training, and adult
10 basic education and literacy needs of the state; identify ongoing and
11 strategic education needs; and assess the extent to which employment,
12 training, vocational and basic education, rehabilitation services, and
13 public assistance services represent a consistent, integrated approach
14 to meet such needs.

15 (4) Develop and maintain a state comprehensive plan for work force
16 training and education, including but not limited to, goals,
17 objectives, and priorities for the state training system, and review
18 the state training system for consistency with the state comprehensive
19 plan. In developing the state comprehensive plan for work force
20 training and education, the board shall use, but shall not be limited
21 to: Economic, labor market, and populations trends reports in office
22 of financial management forecasts; joint office of financial management
23 and employment security department labor force, industry employment,
24 and occupational forecasts; the results of scientifically based
25 outcome, net-impact and cost-benefit evaluations; the needs of
26 employers as evidenced in formal employer surveys and other employer
27 input; and the needs of program participants and workers as evidenced
28 in formal surveys and other input from program participants and the
29 labor community.

30 (5) In consultation with the higher education coordinating board,
31 review and make recommendations to the office of financial management
32 and the legislature on operating and capital facilities budget requests
33 for operating agencies of the state training system for purposes of
34 consistency with the state comprehensive plan for work force training
35 and education.

36 (6) Provide for coordination among the different operating agencies
37 of the state training system at the state level and at the regional
38 level.

1 (7) Develop a consistent and reliable data base on vocational
2 education enrollments, costs, program activities, and job placements
3 from publicly funded vocational education programs in this state.

4 (8) Establish standards for data collection and maintenance for the
5 operating agencies of the state training system in a format that is
6 accessible to use by the board. The board shall require a minimum of
7 common core data to be collected by each operating agency of the state
8 training system.

9 The board shall develop requirements for minimum common core data
10 in consultation with the office of financial management and the
11 operating agencies of the training system.

12 (9) Establish minimum standards for program evaluation for the
13 operating agencies of the state training system, including, but not
14 limited to, the use of common survey instruments and procedures for
15 measuring perceptions of program participants and employers of program
16 participants, and monitor such program evaluation.

17 (10) Every two years administer scientifically based outcome
18 evaluations of the state training system, including, but not limited
19 to, surveys of program participants, surveys of employers of program
20 participants, and matches with employment security department payroll
21 and wage files. Every five years administer scientifically based net-
22 impact and cost-benefit evaluations of the state training system.

23 (11) In cooperation with the employment security department,
24 provide for the improvement and maintenance of quality and utility in
25 occupational information and forecasts for use in training system
26 planning and evaluation. Improvements shall include, but not be
27 limited to, development of state-based occupational change factors
28 involving input by employers and employees, and delineation of skill
29 and training requirements by education level associated with current
30 and forecasted occupations.

31 (12) Provide for the development of common course description
32 formats, common reporting requirements, and common definitions for
33 operating agencies of the training system.

34 (13) Provide for effectiveness and efficiency reviews of the state
35 training system.

36 (14) In cooperation with the higher education coordinating board,
37 facilitate transfer of credit policies and agreements between
38 institutions of the state training system, and encourage articulation

1 agreements for programs encompassing two years of secondary work force
2 education and two years of postsecondary work force education.

3 (15) In cooperation with the higher education coordinating board,
4 facilitate transfer of credit policies and agreements between private
5 training institutions and institutions of the state training system.

6 (16) Participate in the development of coordination criteria for
7 activities under the job training partnership act with related programs
8 and services provided by state and local education and training
9 agencies.

10 (17) Make recommendations to the commission of student assessment,
11 the state board of education, and the superintendent of public
12 instruction, concerning basic skill competencies and essential core
13 competencies for K-12 education. Basic skills for this purpose shall
14 be reading, writing, computation, speaking, and critical thinking,
15 essential core competencies for this purpose shall be English, math,
16 science/technology, history, geography, and critical thinking. The
17 board shall monitor the development of and provide advice concerning
18 secondary curriculum which integrates vocational and academic
19 education.

20 (18) Establish and administer programs for marketing and outreach
21 to businesses and potential program participants.

22 (19) Facilitate the location of support services, including but not
23 limited to, child care, financial aid, career counseling, and job
24 placement services, for students and trainees at institutions in the
25 state training system, and advocate for support services for trainees
26 and students in the state training system.

27 (20) Facilitate private sector assistance for the state training
28 system, including but not limited to: Financial assistance, rotation
29 of private and public personnel, and vocational counseling.

30 (21) Facilitate programs for school-to-work transition that combine
31 classroom education and on-the-job training in industries and
32 occupations without a significant number of apprenticeship programs.

33 (22) Encourage and assess progress for the equitable representation
34 of racial and ethnic minorities, women, and people with disabilities
35 among the students, teachers, and administrators of the state training
36 system. Equitable, for this purpose, shall mean substantially
37 proportional to their percentage of the state population in the
38 geographic area served. This function of the board shall in no way

1 lessen more stringent state or federal requirements for representation
2 of racial and ethnic minorities, women, and people with disabilities.

3 (23) Participate in the planning and policy development of governor
4 set-aside grants under P.L. 97-300, as amended.

5 (24) Administer veterans' programs, licensure of private vocational
6 schools, the job skills program, and the Washington award for
7 vocational excellence.

8 (25) Allocate funding from the state job training trust fund.

9 (26) Work with the director of the department of community and
10 economic resources to ensure coordination between work force training
11 priorities and that department's technology diffusion, self-employment,
12 and business assistance efforts.

13 (27) Adopt rules as necessary to implement this chapter.

14 The board may delegate to the director any of the functions of this
15 section.

16 **Sec. 16.** RCW 43.17.010 and 1989 1st ex.s. c 9 s 810 are each
17 amended to read as follows:

18 There shall be departments of the state government which shall be
19 known as (1) the department of social and health services, (2) the
20 department of ecology, (3) the department of labor and industries, (4)
21 the department of agriculture, (5) the department of fisheries, (6) the
22 department of wildlife, (7) the department of transportation, (8) the
23 department of licensing, (9) the department of general administration,
24 (10) the department of (~~trade~~) community and economic (~~development~~)
25 resources, (11) the department of veterans affairs, (12) the department
26 of revenue, (13) the department of retirement systems, (14) the
27 department of corrections, and (15) (~~the department of community~~
28 ~~development, and (16))~~) the department of health, which shall be
29 charged with the execution, enforcement, and administration of such
30 laws, and invested with such powers and required to perform such
31 duties, as the legislature may provide.

32 **Sec. 17.** RCW 43.17.020 and 1989 1st ex.s. c 9 s 811 are each
33 amended to read as follows:

34 There shall be a chief executive officer of each department to be
35 known as: (1) The secretary of social and health services, (2) the
36 director of ecology, (3) the director of labor and industries, (4) the
37 director of agriculture, (5) the director of fisheries, (6) the

1 director of wildlife, (7) the secretary of transportation, (8) the
2 director of licensing, (9) the director of general administration, (10)
3 the director of ((trade)) community and economic ((development))
4 resources, (11) the director of veterans affairs, (12) the director of
5 revenue, (13) the director of retirement systems, (14) the secretary of
6 corrections, and (15) ((the director of community development, and
7 {16})) the secretary of health.

8 Such officers, except the secretary of transportation, shall be
9 appointed by the governor, with the consent of the senate, and hold
10 office at the pleasure of the governor. The director of wildlife,
11 however, shall be appointed according to the provisions of RCW
12 77.04.080. If a vacancy occurs while the senate is not in session, the
13 governor shall make a temporary appointment until the next meeting of
14 the senate. A temporary director of wildlife shall not serve more than
15 one year. The secretary of transportation shall be appointed by the
16 transportation commission as prescribed by RCW 47.01.041.

17 NEW SECTION. **Sec. 18.** The department of community development is
18 hereby abolished and its powers, duties, and functions are hereby
19 transferred to the department of community and economic resources.

20 NEW SECTION. **Sec. 19.** All reports, documents, surveys, books,
21 records, files, papers, or written material in the possession of the
22 department of community development shall be delivered to the custody
23 of the department of community and economic resources. All cabinets,
24 furniture, office equipment, motor vehicles, and other tangible
25 property employed by the department of community development shall be
26 made available to the department of community and economic resources.
27 All funds, credits, or other assets held by the department of community
28 development shall be assigned to the department of community and
29 economic resources.

30 Any appropriations made to the department of community development
31 shall, on the effective date of this section, be transferred and
32 credited to the department of community and economic resources.

33 Whenever any question arises as to the transfer of any personnel,
34 funds, books, documents, records, papers, files, equipment, or other
35 tangible property used or held in the exercise of the powers and the
36 performance of the duties and functions transferred, the director of

1 financial management shall make a determination as to the proper
2 allocation and certify the same to the state agencies concerned.

3 NEW SECTION. **Sec. 20.** All employees of the department of
4 community development are transferred to the jurisdiction of the
5 department of community and economic resources. All employees
6 classified under chapter 41.06 RCW, the state civil service law, are
7 assigned to the department of community and economic resources to
8 perform their usual duties upon the same terms as formerly, without any
9 loss of rights, subject to any action that may be appropriate
10 thereafter in accordance with the laws and rules governing state civil
11 service.

12 NEW SECTION. **Sec. 21.** All rules and all pending business before
13 the department of community development shall be continued and acted
14 upon by the department of community and economic resources. All
15 existing contracts and obligations shall remain in full force and shall
16 be performed by the department of community and economic resources.

17 NEW SECTION. **Sec. 22.** The transfer of the powers, duties,
18 functions, and personnel of the department of community development
19 shall not affect the validity of any act performed prior to the
20 effective date of this section.

21 NEW SECTION. **Sec. 23.** If apportionments of budgeted funds are
22 required because of the transfers directed by sections 19 through 22 of
23 this act, the director of financial management shall certify the
24 apportionments to the agencies affected, the state auditor, and the
25 state treasurer. Each of these shall make the appropriate transfer and
26 adjustments in funds and appropriation accounts and equipment records
27 in accordance with the certification.

28 NEW SECTION. **Sec. 24.** Nothing contained in sections 18 through 23
29 of this act may be construed to alter any existing collective
30 bargaining unit or the provisions of any existing collective bargaining
31 agreement until the agreement has expired or until the bargaining unit
32 has been modified by action of the personnel board as provided by law.

1 NEW SECTION. **Sec. 25.** The department of trade and economic
2 development is hereby abolished and its powers, duties, and functions
3 are hereby transferred to the department of community and economic
4 resources.

5 NEW SECTION. **Sec. 26.** All reports, documents, surveys, books,
6 records, files, papers, or written material in the possession of the
7 department of trade and economic development shall be delivered to the
8 custody of the department of community and economic resources. All
9 cabinets, furniture, office equipment, motor vehicles, and other
10 tangible property employed by the department of trade and economic
11 development shall be made available to the department of community and
12 economic resources. All funds, credits, or other assets held by the
13 department of trade and economic development shall be assigned to the
14 department of community and economic resources.

15 Any appropriations made to the department of trade and economic
16 development shall, on the effective date of this section, be
17 transferred and credited to the department of community and economic
18 resources.

19 Whenever any question arises as to the transfer of any personnel,
20 funds, books, documents, records, papers, files, equipment, or other
21 tangible property used or held in the exercise of the powers and the
22 performance of the duties and functions transferred, the director of
23 financial management shall make a determination as to the proper
24 allocation and certify the same to the state agencies concerned.

25 NEW SECTION. **Sec. 27.** All employees of the department of trade
26 and economic development are transferred to the jurisdiction of the
27 department of community and economic resources. All employees
28 classified under chapter 41.06 RCW, the state civil service law, are
29 assigned to the department of community and economic resources to
30 perform their usual duties upon the same terms as formerly, without any
31 loss of rights, subject to any action that may be appropriate
32 thereafter in accordance with the laws and rules governing state civil
33 service.

34 NEW SECTION. **Sec. 28.** All rules and all pending business before
35 the department of trade and economic development shall be continued and
36 acted upon by the department of community and economic resources. All

1 existing contracts and obligations shall remain in full force and shall
2 be performed by the department of community and economic resources.

3 NEW SECTION. **Sec. 29.** The transfer of the powers, duties,
4 functions, and personnel of the department of trade and economic
5 development shall not affect the validity of any act performed prior to
6 the effective date of this section.

7 NEW SECTION. **Sec. 30.** If apportionments of budgeted funds are
8 required because of the transfers directed by sections 26 through 29 of
9 this act, the director of financial management shall certify the
10 apportionments to the agencies affected, the state auditor, and the
11 state treasurer. Each of these shall make the appropriate transfer and
12 adjustments in funds and appropriation accounts and equipment records
13 in accordance with the certification.

14 NEW SECTION. **Sec. 31.** Nothing contained in sections 25 through 30
15 of this act may be construed to alter any existing collective
16 bargaining unit or the provisions of any existing collective bargaining
17 agreement until the agreement has expired or until the bargaining unit
18 has been modified by action of the personnel board as provided by law.

19 **Sec. 32.** RCW 19.85.020 and 1989 c 374 s 1 are each amended to read
20 as follows:

21 Unless the context clearly indicates otherwise, the definitions in
22 this section apply through this chapter.

23 (1) "Small business" has the meaning given in ((RCW 43.31.025(4)))
24 section 3 of this act.

25 (2) "Small business economic impact statement" means a statement
26 meeting the requirements of RCW 19.85.040 prepared by a state agency
27 pursuant to RCW 19.85.030.

28 (3) "Industry" means all of the businesses in this state in any one
29 three-digit standard industrial classification as published by the
30 United States department of commerce.

31 **Sec. 33.** RCW 42.17.310 and 1992 c 139 s 5 and 1992 c 71 s 12 are
32 each reenacted and amended to read as follows:

33 (1) The following are exempt from public inspection and copying:

1 (a) Personal information in any files maintained for students in
2 public schools, patients or clients of public institutions or public
3 health agencies, or welfare recipients.

4 (b) Personal information in files maintained for employees,
5 appointees, or elected officials of any public agency to the extent
6 that disclosure would violate their right to privacy.

7 (c) Information required of any taxpayer in connection with the
8 assessment or collection of any tax if the disclosure of the
9 information to other persons would (i) be prohibited to such persons by
10 RCW 82.32.330 or (ii) violate the taxpayer's right to privacy or result
11 in unfair competitive disadvantage to the taxpayer.

12 (d) Specific intelligence information and specific investigative
13 records compiled by investigative, law enforcement, and penology
14 agencies, and state agencies vested with the responsibility to
15 discipline members of any profession, the nondisclosure of which is
16 essential to effective law enforcement or for the protection of any
17 person's right to privacy.

18 (e) Information revealing the identity of persons who are witnesses
19 to or victims of crime or who file complaints with investigative, law
20 enforcement, or penology agencies, other than the public disclosure
21 commission, if disclosure would endanger any person's life, physical
22 safety, or property. If at the time a complaint is filed the
23 complainant, victim or witness indicates a desire for disclosure or
24 nondisclosure, such desire shall govern. However, all complaints filed
25 with the public disclosure commission about any elected official or
26 candidate for public office must be made in writing and signed by the
27 complainant under oath.

28 (f) Test questions, scoring keys, and other examination data used
29 to administer a license, employment, or academic examination.

30 (g) Except as provided by chapter 8.26 RCW, the contents of real
31 estate appraisals, made for or by any agency relative to the
32 acquisition or sale of property, until the project or prospective sale
33 is abandoned or until such time as all of the property has been
34 acquired or the property to which the sale appraisal relates is sold,
35 but in no event shall disclosure be denied for more than three years
36 after the appraisal.

37 (h) Valuable formulae, designs, drawings, and research data
38 obtained by any agency within five years of the request for disclosure
39 when disclosure would produce private gain and public loss.

1 (i) Preliminary drafts, notes, recommendations, and intra-agency
2 memorandums in which opinions are expressed or policies formulated or
3 recommended except that a specific record shall not be exempt when
4 publicly cited by an agency in connection with any agency action.

5 (j) Records which are relevant to a controversy to which an agency
6 is a party but which records would not be available to another party
7 under the rules of pretrial discovery for causes pending in the
8 superior courts.

9 (k) Records, maps, or other information identifying the location of
10 archaeological sites in order to avoid the looting or depredation of
11 such sites.

12 (l) Any library record, the primary purpose of which is to maintain
13 control of library materials, or to gain access to information, which
14 discloses or could be used to disclose the identity of a library user.

15 (m) Financial information supplied by or on behalf of a person,
16 firm, or corporation for the purpose of qualifying to submit a bid or
17 proposal for (a) a ferry system construction or repair contract as
18 required by RCW 47.60.680 through 47.60.750 or (b) highway construction
19 or improvement as required by RCW 47.28.070.

20 (n) Railroad company contracts filed prior to July 28, 1991, with
21 the utilities and transportation commission under RCW 81.34.070, except
22 that the summaries of the contracts are open to public inspection and
23 copying as otherwise provided by this chapter.

24 (o) Financial and commercial information and records supplied by
25 private persons pertaining to export services provided pursuant to
26 chapter 43.163 RCW and chapter 53.31 RCW.

27 (p) Financial disclosures filed by private vocational schools under
28 chapter 28C.10 RCW.

29 (q) Records filed with the utilities and transportation commission
30 or attorney general under RCW 80.04.095 that a court has determined are
31 confidential under RCW 80.04.095.

32 (r) Financial and commercial information and records supplied by
33 businesses during application for loans or program services provided by
34 chapters 43.163 (~~RCW and chapters 43.31, 43.63A~~), 43.-- (sections 1
35 through 8, 10 through 14, and 76 of this act), and 43.168 RCW.

36 (s) Membership lists or lists of members or owners of interests of
37 units in timeshare projects, subdivisions, camping resorts,
38 condominiums, land developments, or common-interest communities

1 affiliated with such projects, regulated by the department of
2 licensing, in the files or possession of the department.

3 (t) All applications for public employment, including the names of
4 applicants, resumes, and other related materials submitted with respect
5 to an applicant.

6 (u) The residential addresses and residential telephone numbers of
7 employees or volunteers of a public agency which are held by the agency
8 in personnel records, employment or volunteer rosters, or mailing lists
9 of employees or volunteers.

10 (v) The residential addresses and residential telephone numbers of
11 the customers of a public utility contained in the records or lists
12 held by the public utility of which they are customers.

13 (w) Information obtained by the board of pharmacy as provided in
14 RCW 69.45.090.

15 (x) Information obtained by the board of pharmacy or the department
16 of health and its representatives as provided in RCW 69.41.044,
17 69.41.280, and 18.64.420.

18 (y) Financial information, business plans, examination reports, and
19 any information produced or obtained in evaluating or examining a
20 business and industrial development corporation organized or seeking
21 certification under chapter 31.24 RCW.

22 (z) Financial and commercial information supplied to the state
23 investment board by any person when the information relates to the
24 investment of public trust or retirement funds and when disclosure
25 would result in loss to such funds or in private loss to the providers
26 of this information.

27 (aa) Financial and valuable trade information under RCW 51.36.120.

28 (bb) Client records maintained by an agency that is a domestic
29 violence program as defined in RCW 70.123.020 or a rape crisis center
30 as defined in RCW 70.125.030.

31 (cc) Information that identifies a person who, while an agency
32 employee: (i) Seeks advice, under an informal process established by
33 the employing agency, in order to ascertain his or her rights in
34 connection with a possible unfair practice under chapter 49.60 RCW
35 against the person; and (ii) requests his or her identity or any
36 identifying information not be disclosed.

37 (dd) Business related information protected from public inspection
38 and copying under RCW 15.86.110.

1 (2) Except for information described in subsection (1)(c)(i) of
2 this section and confidential income data exempted from public
3 inspection pursuant to RCW 84.40.020, the exemptions of this section
4 are inapplicable to the extent that information, the disclosure of
5 which would violate personal privacy or vital governmental interests,
6 can be deleted from the specific records sought. No exemption may be
7 construed to permit the nondisclosure of statistical information not
8 descriptive of any readily identifiable person or persons.

9 (3) Inspection or copying of any specific records exempt under the
10 provisions of this section may be permitted if the superior court in
11 the county in which the record is maintained finds, after a hearing
12 with notice thereof to every person in interest and the agency, that
13 the exemption of such records is clearly unnecessary to protect any
14 individual's right of privacy or any vital governmental function.

15 (4) Agency responses refusing, in whole or in part, inspection of
16 any public record shall include a statement of the specific exemption
17 authorizing the withholding of the record (or part) and a brief
18 explanation of how the exemption applies to the record withheld.

19 **Sec. 34.** RCW 42.17.319 and 1989 c 312 s 7 are each amended to read
20 as follows:

21 Notwithstanding the provisions of RCW 42.17.260 through 42.17.340,
22 no financial or proprietary information supplied by investors or
23 entrepreneurs under chapter ~~((43.31))~~ 43.-- RCW (sections 1 through 8,
24 10 through 14, and 76 of this act) shall be made available to the
25 public.

26 **Sec. 35.** RCW 43.17.065 and 1991 c 314 s 28 are each amended to
27 read as follows:

28 (1) Where power is vested in a department to issue permits,
29 licenses, certifications, contracts, grants, or otherwise authorize
30 action on the part of individuals, businesses, local governments, or
31 public or private organizations, such power shall be exercised in an
32 expeditious manner. All departments with such power shall cooperate
33 with officials of the business assistance center of the department of
34 ~~((trade))~~ community and economic ~~((development))~~ resources, and any
35 other state officials, when such officials request timely action on the
36 part of the issuing department.

1 (2) After August 1, 1991, any agency to which subsection (1) of
2 this section applies shall, with regard to any permits or other actions
3 that are necessary for economic development in timber impact areas, as
4 defined in RCW 43.31.601, respond to any completed application within
5 forty-five days of its receipt; any response, at a minimum, shall
6 include:

7 (a) The specific steps that the applicant needs to take in order to
8 have the application approved; and

9 (b) The assistance that will be made available to the applicant by
10 the agency to expedite the application process.

11 (3) The agency timber task force established in RCW 43.31.621 shall
12 oversee implementation of this section.

13 (4) Each agency shall define what constitutes a completed
14 application and make this definition available to applicants.

15 **Sec. 36.** RCW 43.20A.750 and 1992 c 21 s 4 are each amended to read
16 as follows:

17 (1) The department of social and health services shall help
18 families and workers in timber impact areas make the transition through
19 economic difficulties and shall provide services to assist workers to
20 gain marketable skills. The department, as a member of the agency
21 timber task force and in consultation with the economic recovery
22 coordination board, and, where appropriate, under an interagency
23 agreement with the department of community ((development)) and economic
24 resources, shall provide grants through the office of the secretary for
25 services to the unemployed in timber impact areas, including providing
26 direct or referral services, establishing and operating service
27 delivery programs, and coordinating delivery programs and delivery of
28 services. These grants may be awarded for family support centers,
29 reemployment centers, or other local service agencies.

30 (2) The services provided through the grants may include, but need
31 not be limited to: Credit counseling; social services including
32 marital counseling; psychotherapy or psychological counseling; mortgage
33 foreclosures and utilities problems counseling; drug and alcohol abuse
34 services; medical services; and residential heating and food
35 acquisition.

36 (3) Funding for these services shall be coordinated through the
37 economic recovery coordination board which will establish a fund to
38 provide child care assistance, mortgage assistance, and counseling

1 which cannot be met through current programs. No funds shall be used
2 for additional full-time equivalents for administering this section.

3 (4)(a) Grants for family support centers are intended to provide
4 support to families by responding to needs identified by the families
5 and communities served by the centers. Services provided by family
6 support centers may include parenting education, child development
7 assessments, health and nutrition education, counseling, and
8 information and referral services. Such services may be provided
9 directly by the center or through referral to other agencies
10 participating in the interagency team.

11 (b) The department shall consult with the council on child abuse or
12 neglect regarding grants for family support centers.

13 (5) "Timber impact area" means:

14 (a) A county having a population of less than five hundred
15 thousand, or a city or town located within a county having a population
16 of less than five hundred thousand, and meeting two of the following
17 three criteria, as determined by the employment security department,
18 for the most recent year such data is available: (i) A lumber and wood
19 products employment location quotient at or above the state average;
20 (ii) projected or actual direct lumber and wood products job losses of
21 one hundred positions or more, except counties having a population
22 greater than two hundred thousand but less than five hundred thousand
23 must have direct lumber and wood products job losses of one thousand
24 positions or more; or (iii) an annual unemployment rate twenty percent
25 or more above the state average; or

26 (b) Additional communities as the economic recovery coordinating
27 board, established in RCW 43.31.631, designates based on a finding by
28 the board that each designated community is socially and economically
29 integrated with areas that meet the definition of a timber impact area
30 under (a) of this subsection.

31 **Sec. 37.** RCW 43.31.057 and 1986 c 183 s 2 are each amended to read
32 as follows:

33 The department of (~~trade~~) community and economic (~~development~~)
34 resources is directed to develop and promote means to stimulate the
35 expansion of the market for Washington products and shall have the
36 following powers and duties:

37 (1) To develop a pamphlet for state-wide circulation which will
38 encourage the purchase of items produced in the state of Washington;

1 (2) To include in the pamphlet a listing of products of Washington
2 companies which individuals can examine when making purchases so they
3 may have the opportunity to select one of those products in support of
4 this program;

5 (3) To distribute the pamphlets on the broadest possible basis
6 through local offices of state agencies, business organizations,
7 chambers of commerce, or any other means the department deems
8 appropriate;

9 (4) In carrying out these powers and duties the department shall
10 cooperate and coordinate with other agencies of government and the
11 private sector.

12 **Sec. 38.** RCW 43.31.085 and 1989 c 430 s 2 are each amended to read
13 as follows:

14 The business assistance center shall:

15 (1) Serve as the state's lead agency and advocate for the
16 development and conservation of businesses.

17 (2) Coordinate the delivery of state programs to assist businesses.

18 (3) Provide comprehensive referral services to businesses requiring
19 government assistance.

20 (4) Serve as the business ombudsman within state government and
21 advise the governor and the legislature of the need for new legislation
22 to improve the effectiveness of state programs to assist businesses.

23 (5) Aggressively promote business awareness of the state's business
24 programs and distribute information on the services available to
25 businesses.

26 (6) Develop, in concert with local economic development and
27 business assistance organizations, coordinated processes that
28 complement both state and local activities and services.

29 (7) The business assistance center shall work with other federal,
30 state, and local agencies and organizations to ensure that business
31 assistance services including small business, trade services, and
32 distressed area programs are provided in a coordinated and cost-
33 effective manner.

34 (8) In collaboration with the child care coordinating committee in
35 the department of social and health services, prepare and disseminate
36 information on child care options for employers and the existence of
37 the program. As much as possible, and through interagency agreements
38 where necessary, such information should be included in the routine

1 communications to employers from (a) the department of revenue, (b) the
2 department of labor and industries, (c) (~~the department of community~~
3 ~~development, (d)~~) the employment security department, (~~(e)~~) (d) the
4 department of (~~trade~~) community and economic (~~development~~)
5 resources, (~~(f)~~) (e) the small business development center, and
6 (~~(g)~~) (f) the department of social and health services.

7 (9) In collaboration with the child care coordinating committee in
8 the department of social and health services, compile information on
9 and facilitate employer access to individuals, firms, organizations,
10 and agencies that provide technical assistance to employers to enable
11 them to develop and support child care services or facilities.

12 (10) Actively seek public and private money to support the child
13 care facility fund described in RCW 43.31.502, staff and assist the
14 child care facility fund committee as described in RCW 43.31.504, and
15 work to promote applications to the committee for loan guarantees,
16 loans, and grants.

17 **Sec. 39.** RCW 43.31.205 and 1992 c 228 s 2 are each amended to read
18 as follows:

19 In an effort to enhance the economy of the Tri-Cities area, the
20 department of (~~trade~~) community and economic (~~development~~)
21 resources is directed to promote the existence of the lease between the
22 state of Washington and the federal government executed September 10,
23 1964, covering one thousand acres of land lying within the Hanford
24 reservation near Richland, Washington, and the opportunity of
25 subleasing the land to entities for nuclear-related industry, in
26 agreement with the terms of the lease. When promoting the existence of
27 the lease, the department shall work in cooperation with any associate
28 development organization(~~(s)~~) located in or near the Tri-Cities area.

29 **Sec. 40.** RCW 43.31.409 and 1989 c 312 s 3 are each amended to read
30 as follows:

31 There is created in the business assistance center of the
32 department of (~~trade~~) community and economic (~~development~~)
33 resources the Washington investment opportunities office.

34 **Sec. 41.** RCW 43.31.411 and 1989 c 312 s 4 are each amended to read
35 as follows:

36 The Washington investment opportunities office shall:

1 (1) Maintain a list of all entrepreneurs engaged in manufacturing,
2 wholesaling, transportation services, development of destination
3 tourism resorts, or traded services throughout the state seeking
4 capital resources and interested in the services of the investment
5 opportunities office.

6 (2) Maintain a file on each entrepreneur which may include the
7 entrepreneur's business plan and any other information which the
8 entrepreneur offers for review by potential investors.

9 (3) Assist entrepreneurs in procuring the managerial and technical
10 assistance necessary to attract potential investors. Such assistance
11 shall include the automatic referral to the small business innovators
12 opportunity program of any entrepreneur with a new product meriting the
13 services of the program.

14 (4) Provide entrepreneurs with information about potential
15 investors and provide investors with information about those
16 entrepreneurs which meet the investment criteria of the investor.

17 (5) Promote small business securities financing.

18 (6) Remain informed about investment trends in capital markets and
19 preferences of individual investors or investment firms throughout the
20 nation through literature surveys, conferences, and private meetings.

21 (7) Publicize the services of the investment opportunities office
22 through public meetings throughout the state, appropriately targeted
23 media, and private meetings. Whenever practical, the office shall use
24 the existing services of local associate development organizations in
25 outreach and identification of entrepreneurs and investors.

26 (8) Report to the ways and means committees and (~~commerce and~~
27 ~~labor~~) appropriate economic development committees of the senate and
28 the house of representatives by December 1, 1989, and each year
29 thereafter, on the accomplishments of the office. Such reports shall
30 include:

31 (a) The number of entrepreneurs on the list referred to in
32 subsection (1) of this section, segregated by standard industrial
33 classification codes;

34 (b) The number of investments made in entrepreneurs, segregated as
35 required by (a) of this subsection, as a result of contact with the
36 investment opportunities office, the dollar amount of each such
37 investment, the source, by state or nation, of each investment, and the
38 number of jobs created as a result of each investment;

1 (c) The number of entrepreneurs on the list referred to in
2 subsection (1) of this section segregated by counties, the number of
3 investments, the dollar amount of investments, and the number of jobs
4 created through investments in each county as a result of contact with
5 the investment opportunities office;

6 (d) A categorization of jobs created through investments made as a
7 result of contact with the investment opportunities office, the number
8 of jobs created in each such category, and the average pay scale for
9 jobs created in each such category;

10 (e) The results of client satisfaction surveys distributed to
11 entrepreneurs and investors using the services of the investment
12 opportunities office; and

13 (f) Such other information as the managing director finds
14 appropriate.

15 **Sec. 42.** RCW 43.31.422 and 1991 c 272 s 19 are each amended to
16 read as follows:

17 The Hanford area economic investment fund is established in the
18 custody of the state treasurer. Moneys in the fund shall only be used
19 pursuant to the recommendations of the committee created in RCW
20 43.31.425 and the approval of the director of the department of
21 (~~trade~~) community and economic (~~development~~) resources for Hanford
22 area revolving loan funds, Hanford area infrastructure projects, or
23 other Hanford area economic development and diversification projects,
24 but may not be used for government or nonprofit organization operating
25 expenses. Up to five percent of moneys in the fund may be used for
26 program administration. For the purpose of this chapter "Hanford area"
27 means Benton and Franklin counties. Disbursements from the fund shall
28 be on the authorization of the director of (~~trade~~) community and
29 economic (~~development~~) resources or the director's designee after an
30 affirmative vote of at least six members of the committee created in
31 RCW 43.31.425 on any recommendations by the committee created in RCW
32 43.31.425. The fund is subject to the allotment procedures under
33 chapter 43.88 RCW, but no appropriation is required for disbursements.
34 The legislature intends to establish similar economic investment funds
35 for areas that develop low-level radioactive waste disposal facilities.

36 **Sec. 43.** RCW 43.31.504 and 1989 c 430 s 4 are each amended to read
37 as follows:

1 The child care facility fund committee is established within the
2 business assistance center of the department of ((~~trade~~)) community and
3 economic ((~~development~~)) resources. The committee shall administer the
4 child care facility fund, with review by the director of the department
5 of ((~~trade~~)) community and economic ((~~development~~)) resources.

6 (1) The committee shall have five members. The director of the
7 department of ((~~trade~~)) community and economic ((~~development~~))
8 resources shall appoint the members, who shall include:

9 (a) Two persons experienced in investment finance and having skills
10 in providing capital to new businesses, in starting and operating
11 businesses, and providing professional services to small or expanding
12 businesses;

13 (b) One person representing a philanthropic organization with
14 experience in evaluating funding requests;

15 (c) One child care services expert; and

16 (d) One early childhood development expert.

17 In making these appointments, the director shall give careful
18 consideration to ensure that the various geographic regions of the
19 state are represented and that members will be available for meetings
20 and are committed to working cooperatively to address child care needs
21 in Washington state.

22 (2) The committee shall elect officers from among its membership
23 and shall adopt policies and procedures specifying the lengths of
24 terms, methods for filling vacancies, and other matters necessary to
25 the ongoing functioning of the committee.

26 (3) Committee members shall serve without compensation, but may
27 request reimbursement for travel expenses as provided in RCW 43.03.050
28 and 43.03.060.

29 (4) Committee members shall not be liable to the state, to the
30 child care facility fund, or to any other person as a result of their
31 activities, whether ministerial or discretionary, as members except for
32 willful dishonesty or intentional violation of the law. The department
33 of ((~~trade~~)) community and economic ((~~development~~)) resources may
34 purchase liability insurance for members and may indemnify these
35 persons against the claims of others.

36 **Sec. 44.** RCW 43.31.522 and 1990 c 57 s 2 are each amended to read
37 as follows:

1 Unless the context clearly requires otherwise, the definitions in
2 this section apply throughout RCW 43.31.524 and 43.31.526:

3 (1) "Department" means the department of (~~trade~~) community and
4 economic (~~development~~) resources.

5 (2) "Center" means the business assistance center established under
6 RCW 43.31.083.

7 (3) "Director" means the director of (~~trade~~) community and
8 economic (~~development~~) resources.

9 (4) "Local nonprofit organization" means a local nonprofit
10 organization organized to provide economic development or community
11 development services, including but not limited to associate
12 development organizations, economic development councils, and community
13 development corporations.

14 **Sec. 45.** RCW 43.31.524 and 1990 c 57 s 3 are each amended to read
15 as follows:

16 There is established a Washington marketplace program within the
17 business assistance center established under RCW 43.31.083. The
18 program shall assist businesses to competitively meet their needs for
19 goods and services within Washington state by providing information
20 relating to the replacement of imports or the fulfillment of new
21 requirements with Washington products produced in Washington state.
22 The program shall place special emphasis on strengthening rural
23 economies in economically distressed areas of the state meeting the
24 criteria of an "eligible area" as defined in RCW 82.60.020(3). (~~The
25 Washington marketplace program shall consult with the community
26 revitalization team established pursuant to chapter 43.165 RCW.~~)

27 **Sec. 46.** RCW 43.31.526 and 1990 c 57 s 4 are each amended to read
28 as follows:

29 (1) The department shall contract with local nonprofit
30 organizations in at least three economically distressed areas of the
31 state that meet the criteria of an "eligible area" as defined in RCW
32 82.60.020(3) to implement the Washington marketplace program in these
33 areas. The department, in order to foster cooperation and linkages
34 between distressed and nondistressed areas and urban and rural areas,
35 may enter into joint contracts with multiple nonprofit organizations.
36 Contracts with economic development organizations to foster cooperation
37 and linkages between distressed and nondistressed areas and urban and

1 rural areas shall be structured by the department and the distressed
2 area marketplace programs. Contracts with economic development
3 organizations shall:

4 (a) Award contracts based on a competitive bidding process,
5 pursuant to chapter 43.19 RCW;

6 (b) Give preference to nonprofit organizations representing a broad
7 spectrum of community support; and

8 (c) Ensure that each location contain sufficient business activity
9 to permit effective program operation.

10 The department may require that contractors contribute at least
11 twenty percent local funding.

12 (2) The contracts with local nonprofit organizations shall be for,
13 but not limited to, the performance of the following services for the
14 Washington marketplace program:

15 (a) Contacting Washington state businesses to identify goods and
16 services they are currently buying or are planning in the future to buy
17 out-of-state and determine which of these goods and services could be
18 purchased on competitive terms within the state;

19 (b) Identifying locally sold goods and services which are currently
20 provided by out-of-state businesses;

21 (c) Determining, in consultation with local business, goods and
22 services for which the business is willing to make contract agreements;

23 (d) Advertising market opportunities described in (c) of this
24 subsection; and

25 (e) Receiving bid responses from potential suppliers and sending
26 them to that business for final selection.

27 (3) Contracts may include provisions for charging service fees of
28 businesses that profit as a result of participation in the program.

29 (4) The center shall also perform the following activities in order
30 to promote the goals of the program:

31 (a) Prepare promotional materials or conduct seminars to inform
32 communities and organizations about the Washington marketplace program;

33 (b) Provide technical assistance to communities and organizations
34 interested in developing an import replacement program;

35 (c) Develop standardized procedures for operating the local
36 component of the Washington marketplace program;

37 (d) Provide continuing management and technical assistance to local
38 contractors; and

1 (e) Report by December 31 of each year to the ((senate))
2 appropriate economic development ((and labor committee and to))
3 committees of the senate and the house of representatives ((trade and
4 economic development committee)) describing the activities of the
5 Washington marketplace program.

6 **Sec. 47.** RCW 43.31.621 and 1991 c 314 s 4 are each amended to read
7 as follows:

8 (1) There is established the agency timber task force. The task
9 force shall be chaired by the timber recovery coordinator. It shall be
10 the responsibility of the coordinator that all directives of chapter
11 314, Laws of 1991 are carried out expeditiously by the agencies
12 represented in the task force. The task force shall consist of the
13 directors, or representatives of the directors, of the following
14 agencies: The department of ((trade)) community and economic
15 ((development, department of community development)) resources,
16 employment security department, department of social and health
17 services, state board for community college education, state board for
18 vocational education, or its replacement entity, department of natural
19 resources, department of transportation, state energy office,
20 department of wildlife, University of Washington center for
21 international trade in forest products, and department of ecology. The
22 task force may consult and enlist the assistance of the following: The
23 higher education coordinating board, University of Washington college
24 of forest resources, Washington State University school of forestry,
25 Northwest policy center, state superintendent of public instruction,
26 the Evergreen partnership, Washington association of counties, and
27 rural development council.

28 (2) This section shall expire June 30, 1993.

29 **Sec. 48.** RCW 43.31.641 and 1991 c 314 s 7 are each amended to read
30 as follows:

31 The department of ((trade)) community and economic ((development))
32 resources, as a member of the agency timber task force and in
33 consultation with the board, shall:

34 (1) Implement an expanded value-added forest products development
35 industrial extension program. The department shall provide technical
36 assistance to small and medium-sized forest products companies to
37 include:

- 1 (a) Secondary manufacturing product development;
2 (b) Plant and equipment maintenance;
3 (c) Identification and development of domestic market
4 opportunities;
5 (d) Building products export development assistance;
6 (e) At-risk business development assistance;
7 (f) Business network development; and
8 (g) Timber impact area industrial diversification.

9 (2) Provide local contracts for small and medium-sized forest
10 product companies, start-ups, and business organizations for business
11 feasibility, market development, and business network contracts that
12 will benefit value-added production efforts in the industry.

13 (3) Contract with local business organizations in timber impact
14 areas for development of programs to promote industrial
15 diversification. ~~((In addition, the department shall develop an
16 interagency agreement with the department of community development for
17 local capacity building grants to local governments and community based
18 organizations in timber impact areas, which may include long range
19 planning and needs assessments.))~~

20 (4) Implement a community assistance program to enable communities
21 to build local capacity for sustainable economic development efforts.
22 The program shall provide resources and technical assistance to timber
23 impact areas.

24 (5) Develop and administer a program for local capacity-building
25 grants for local governments and community-based organizations in
26 timber impact areas that may include assistance for long-range planning
27 and needs assessments.

28 For the 1991-93 biennium, the department of ~~((trade))~~ community and
29 economic ~~((development))~~ resources shall use funds appropriated for
30 this section for contracts and for no more than two additional staff
31 positions.

32 **Sec. 49.** RCW 43.31.830 and 1987 c 195 s 7 are each amended to read
33 as follows:

34 (1) It shall be the duty of the director of community and economic
35 resources to certify, from the applications received, the state
36 international trade fair or fairs qualified and entitled to receive
37 funds under RCW ~~((43.31.790 through 43.31.850 and))~~ 67.16.100, ~~((as now~~

1 ~~or hereafter amended))~~ and under rules established by the director.

2 (2) To be eligible for state financed aid an organization shall:

3 (a) Have had at least two or more years of experience in the
4 presentation of or participation in state international trade fairs;
5 and

6 (b) Be able to provide, from its own resources derived from general
7 admission or otherwise, funds sufficient to match at least one-half of
8 the amount of state financial aid allotted.

9 (3) The director shall make annual allotments to state
10 international trade fairs determined qualified to be entitled to
11 participate in the state trade fair fund and shall fix times for the
12 division of and payment from the state trade fair fund: PROVIDED, That
13 total payment to any one state international trade fair shall not
14 exceed sixty thousand dollars in any one year, where participation or
15 presentation occurs within the United States, and eighty thousand
16 dollars in any one year, where participation or presentation occurs
17 outside the United States: PROVIDED FURTHER, That a state
18 international trade fair may qualify for the full allotment of funds
19 under either category. Upon certification of the allotment and
20 division of fair funds by the director (~~of trade and economic~~
21 development)) the treasurer shall proceed to pay the same to carry out
22 the purposes of RCW (~~43.31.790 through 43.31.850 and~~) 67.16.100(~~, as~~
23 now or hereafter amended)).

24 **Sec. 50.** RCW 43.31.840 and 1975 1st ex.s. c 292 s 6 are each
25 amended to read as follows:

26 The director of community and economic resources shall at the end
27 of each year for which an annual allotment has been made, (~~cause to be~~
28 ~~conducted,~~) conduct a post audit of all of the books and records of
29 each state international trade fair participating in the state trade
30 fair fund. The purpose of such post audit shall be to determine how
31 and to what extent each participating state international trade fair
32 has expended all of its funds.

33 The audit required by this section shall be a condition to future
34 allotments of money from the state international trade fair fund, and
35 the director shall make a report of the findings of each post audit and
36 shall use such report as a consideration in an application for any
37 future allocations.

1 **Sec. 51.** RCW 43.31.850 and 1987 c 195 s 9 are each amended to read
2 as follows:

3 State international trade fair as used in RCW (~~43.31.790 through~~
4 ~~43.31.840 and~~) 67.16.100(~~(, as now or hereafter amended,)~~) shall mean
5 a fair supported by public agencies basically for the purpose of
6 introducing and promoting the sale of manufactured or cultural products
7 and services of a given area, whether presented in this state, the
8 United States or its territories, or in a foreign country.

9 **Sec. 52.** RCW 43.160.020 and 1992 c 21 s 3 are each amended to read
10 as follows:

11 Unless the context clearly requires otherwise, the definitions in
12 this section apply throughout this chapter.

13 (1) "Board" means the community economic revitalization board.

14 (2) "Bond" means any bond, note, debenture, interim certificate, or
15 other evidence of financial indebtedness issued by the board pursuant
16 to this chapter.

17 (3) "Department" means the department of (~~trade~~) community and
18 economic (~~development or its successor with respect to the powers~~
19 ~~granted by this chapter~~) resources.

20 (4) "Financial institution" means any bank, savings and loan
21 association, credit union, development credit corporation, insurance
22 company, investment company, trust company, savings institution, or
23 other financial institution approved by the board and maintaining an
24 office in the state.

25 (5) "Industrial development facilities" means "industrial
26 development facilities" as defined in RCW 39.84.020.

27 (6) "Industrial development revenue bonds" means tax-exempt revenue
28 bonds used to fund industrial development facilities.

29 (7) "Local government" means any port district, county, city, or
30 town.

31 (8) "Sponsor" means any of the following entities which customarily
32 provide service or otherwise aid in industrial or other financing and
33 are approved as a sponsor by the board: A bank, trust company, savings
34 bank, investment bank, national banking association, savings and loan
35 association, building and loan association, credit union, insurance
36 company, or any other financial institution, governmental agency, or
37 holding company of any entity specified in this subsection.

1 (9) "Umbrella bonds" means industrial development revenue bonds
2 from which the proceeds are loaned, transferred, or otherwise made
3 available to two or more users under this chapter.

4 (10) "User" means one or more persons acting as lessee, purchaser,
5 mortgagor, or borrower under a financing document and receiving or
6 applying to receive revenues from bonds issued under this chapter.

7 (11) "Timber impact area" means:

8 (a) A county having a population of less than five hundred
9 thousand, or a city or town located within a county having a population
10 of less than five hundred thousand, and meeting two of the following
11 three criteria, as determined by the employment security department,
12 for the most recent year such data is available: (i) A lumber and wood
13 products employment location quotient at or above the state average;
14 (ii) projected or actual direct lumber and wood products job losses of
15 one hundred positions or more, except counties having a population
16 greater than two hundred thousand but less than five hundred thousand
17 must have direct lumber and wood products job losses of one thousand
18 positions or more; or (iii) an annual unemployment rate twenty percent
19 or more above the state average; or

20 (b) Additional communities as the economic recovery coordinating
21 board, established in RCW 43.31.631, designates based on a finding by
22 the board that each designated community is socially and economically
23 integrated with areas that meet the definition of a timber impact area
24 under (a) of this subsection.

25 **Sec. 53.** RCW 43.168.020 and 1991 c 314 s 19 are each amended to
26 read as follows:

27 Unless the context clearly requires otherwise, the definitions in
28 this section apply throughout this chapter.

29 (1) "Committee" means the Washington state development loan fund
30 committee.

31 (2) "Department" means the department of community ~~((development))~~
32 and economic resources.

33 (3) "Director" means the director of the department of community
34 ~~((development))~~ and economic resources.

35 (4) "Distressed area" means: (a) A county which has an
36 unemployment rate which is twenty percent above the state average for
37 the immediately previous three years; (b) a metropolitan statistical
38 area, as defined by the office of federal statistical policy and

1 standards, United States department of commerce, in which the average
2 level of unemployment for the calendar year immediately preceding the
3 year in which an application is filed under this chapter exceeds the
4 average state unemployment for such calendar year by twenty percent.
5 Applications under this subsection (4)(b) shall be filed by April 30,
6 1989; (c) an area within a county, which area: (i) Is composed of
7 contiguous census tracts; (ii) has a minimum population of five
8 thousand persons; (iii) has at least seventy percent of its families
9 and unrelated individuals with incomes below eighty percent of the
10 county's median income for families and unrelated individuals; and (iv)
11 has an unemployment rate which is at least forty percent higher than
12 the county's unemployment rate; or (d) a county designated as a timber
13 impact area under RCW 43.31.601 if an application is filed by July 1,
14 1993. For purposes of this definition, "families and unrelated
15 individuals" has the same meaning that is ascribed to that term by the
16 federal department of housing and urban development in its regulations
17 authorizing action grants for economic development and neighborhood
18 revitalization projects.

19 (5) "Fund" means the Washington state development loan fund.

20 (6) "Local development organization" means a nonprofit organization
21 which is organized to operate within an area, demonstrates a commitment
22 to a long-standing effort for an economic development program, and
23 makes a demonstrable effort to assist in the employment of unemployed
24 or underemployed residents in an area.

25 (7) "Project" means the establishment of a new or expanded business
26 in an area which when completed will provide employment opportunities.
27 "Project" also means the retention of an existing business in an area
28 which when completed will provide employment opportunities.

29 **Sec. 54.** RCW 43.210.110 and 1991 c 314 s 12 are each amended to
30 read as follows:

31 (1) The small business export finance assistance center has the
32 following powers and duties when exercising its authority under RCW
33 43.210.100(3):

34 (a) Solicit and accept grants, contributions, and any other
35 financial assistance from the federal government, federal agencies, and
36 any other public or private sources to carry out its purposes;

37 (b) Offer comprehensive export assistance and counseling to
38 manufacturers relatively new to exporting with gross annual revenues

1 less than twenty-five million dollars. As close to ninety percent as
2 possible of each year's new cadre of clients must have gross annual
3 revenues of less than five million dollars at the time of their initial
4 contract. At least fifty percent of each year's new cadre of clients
5 shall be from timber impact areas as defined in RCW 43.31.601.
6 Counseling may include, but not be limited to, helping clients obtain
7 debt or equity financing, in constructing competent proposals, and
8 assessing federal guarantee and/or insurance programs that underwrite
9 exporting risk; assisting clients in evaluating their international
10 marketplace by developing marketing materials, assessing and selecting
11 targeted markets; assisting firms in finding foreign customers by
12 conducting foreign market research, evaluating distribution systems,
13 selecting and assisting in identification of and/or negotiations with
14 foreign agents, distributors, retailers, and by promoting products
15 through attending trade shows abroad; advising companies on their
16 products, guarantees, and after sales service requirements necessary to
17 compete effectively in a foreign market; designing a competitive
18 strategy for a firm's products in targeted markets and methods of
19 minimizing their commercial and political risks; securing for clients
20 specific assistance as needed, outside the center's field of expertise,
21 by referrals to other public or private organizations. The Pacific
22 Northwest export assistance project shall focus its efforts on
23 facilitating export transactions for its clients, and in doing so,
24 provide such technical services as are appropriate to accomplish its
25 mission either with staff or outside consultants;

26 (c) Sign three-year counseling agreements with its clients that
27 provide for termination if adequate funding for the Pacific Northwest
28 export assistance project is not provided in future appropriations.
29 Counseling agreements shall not be renewed unless there are compelling
30 reasons to do so, and under no circumstances shall they be renewed for
31 more than two additional years. A counseling agreement may not be
32 renewed more than once. The counseling agreements shall have mutual
33 performance clauses, that if not met, will be grounds for releasing
34 each party, without penalty, from the provisions of the agreement.
35 Clients shall be immediately released from a counseling agreement with
36 the Pacific Northwest export assistance project, without penalty, if a
37 client wishes to switch to a private export management service and
38 produces a valid contract signed with a private export management
39 service, or if the president of the small business export finance

1 assistance center determines there are compelling reasons to release a
2 client from the provisions of the counseling agreement;

3 (d) May contract with private or public international trade
4 education services to provide Pacific Northwest export assistance
5 project clients with training in international business. The president
6 and board of directors shall decide the amount of funding allocated for
7 educational services based on the availability of resources in the
8 operating budget of the Pacific Northwest export assistance project;

9 (e) May contract with the Washington state international trade fair
10 to provide services for Pacific Northwest export assistance project
11 clients to participate in one trade show annually. The president and
12 board of directors shall decide the amount of funding allocated for
13 trade fair assistance based on the availability of resources in the
14 operating budget of the Pacific Northwest export assistance project;

15 (f) Provide biennial assessments of its performance. Project
16 personnel shall work with the department of revenue and employment
17 security department to confidentially track the performance of the
18 project's clients in increasing tax revenues to the state, increasing
19 gross sales revenues and volume of products destined to foreign
20 clients, and in creating new jobs for Washington citizens. A biennial
21 report shall be prepared for the governor and legislature to assess the
22 costs and benefits to the state from creating the project. The
23 president of the small business export finance assistance center shall
24 design an appropriate methodology for biennial assessments in
25 consultation with the director of the department of ~~((trade))~~ community
26 and economic ~~((development))~~ resources and the director of the
27 Washington state department of agriculture. The department of revenue
28 and the employment security department shall provide data necessary to
29 complete this biennial evaluation, if the data being requested is
30 available from existing data bases. Client-specific information
31 generated from the files of the department of revenue and the
32 employment security department for the purposes of this evaluation
33 shall be kept strictly confidential by each department and the small
34 business export finance assistance center;

35 (g) Take whatever action may be necessary to accomplish the
36 purposes set forth in RCW 43.210.070 and 43.210.100 through 43.210.120;
37 and

38 (h) Limit its assistance to promoting the exportation of value-
39 added manufactured goods. The project shall not provide counseling or

1 assistance, under any circumstances, for the importation of foreign
2 made goods into the United States.

3 (2) The Pacific Northwest export assistance project shall not,
4 under any circumstances, assume ownership or take title to the goods of
5 its clients.

6 (3) The Pacific Northwest export assistance project may not use any
7 Washington state funds which come from the public treasury of the state
8 of Washington to make loans or to make any payment under a loan
9 guarantee agreement. Under no circumstances may the center use any
10 funds received under RCW 43.210.050 to make or assist in making any
11 loan or to pay or assist in paying any amount under a loan guarantee
12 agreement. Debts of the center shall be center debts only and may be
13 satisfied only from the resources of the center. The state of
14 Washington shall not in any way be liable for such debts.

15 (4) The Pacific Northwest export assistance project shall make
16 every effort to seek nonstate funds to supplement its operations.

17 (5) The Pacific Northwest export assistance project shall take
18 whatever steps are necessary to provide its services, if requested, to
19 the states of Oregon, Idaho, Montana, Alaska, and the Canadian
20 provinces of British Columbia and Alberta. Interstate services shall
21 not be provided by the Pacific Northwest export assistance project
22 during its first biennium of operation. The provision of services may
23 be temporary and subject to the payment of fees, or each state may
24 request permanent services contingent upon a level of permanent funding
25 adequate for services provided. Temporary services and fees may be
26 negotiated by the small business export finance assistance center's
27 president subject to approval of the board of directors. The president
28 of the small business export finance assistance center may enter into
29 negotiations with neighboring states to contract for delivery of the
30 project's services. Final contracts for providing the project's
31 counseling and services outside of the state of Washington on a
32 permanent basis shall be subject to approval of the governor,
33 appropriate legislative oversight committees, and the small business
34 export finance assistance center's board of directors.

35 (6) The small business export finance assistance center may receive
36 such gifts, grants, and endowments from public or private sources as
37 may be made from time to time, in trust or otherwise, for the use and
38 benefit of the purposes of the Pacific Northwest export assistance

1 project and expend the same or any income therefrom according to the
2 terms of the gifts, grants, or endowments.

3 (7) The president of the small business export finance assistance
4 center, in consultation with the board of directors, may use the
5 following formula in determining the number of clients that can be
6 reasonably served by the Pacific Northwest export assistance project
7 relative to its appropriation. Divide the amount appropriated for
8 administration of the Pacific Northwest export assistance project by
9 the marginal cost of adding each additional Pacific Northwest export
10 assistance project client. For the purposes of this calculation, and
11 only for the first biennium of operation, the biennial marginal cost of
12 adding each additional Pacific Northwest export assistance project
13 client shall be fifty-seven thousand ninety-five dollars. The biennial
14 marginal cost of adding each additional client after the first biennium
15 of operation shall be established from the actual operating experience
16 of the Pacific Northwest export assistance project.

17 (8) All receipts from the Pacific Northwest export assistance
18 project shall be deposited into the general fund.

19 **Sec. 55.** RCW 43.63A.066 and 1990 c 33 s 579 are each amended to
20 read as follows:

21 The department of community ~~((development))~~ and economic resources
22 shall have primary responsibility for providing child abuse and neglect
23 prevention training to preschool age children participating in the
24 federal head start program or the early childhood education and
25 assistance program established under RCW 28A.215.010 through
26 28A.215.200 and 28A.215.900 through 28A.215.908.

27 **Sec. 56.** RCW 43.63A.075 and 1985 c 466 s 53 are each amended to
28 read as follows:

29 The department shall establish a community development finance
30 program. Pursuant to this program, the department shall: (1) Develop
31 expertise in federal, state, and local community and economic
32 development programs; and (2) assist communities and businesses to
33 secure available financing~~((; and (3) work closely with the department
34 of trade and economic development on financial and technical assistance
35 programs available to small and medium sized businesses))~~. To the
36 extent permitted by federal law, the department is encouraged to use
37 federal community block grant funds to make urban development action

1 grants to communities which have not been eligible to receive such
2 grants prior to June 30, 1984.

3 **Sec. 57.** RCW 43.63A.115 and 1990 c 156 s 1 are each amended to
4 read as follows:

5 (1) The community action agency network, established initially
6 under the federal economic opportunity act of 1964 and subsequently
7 under the federal community services block grant program of 1981, as
8 amended, shall be a delivery system for federal and state anti-poverty
9 programs in this state, including but not limited to the community
10 services block grant program, the low-income energy assistance program,
11 and the federal department of energy weatherization program.

12 (2) Local community action agencies comprise the community action
13 agency network. The community action agency network shall serve low-
14 income persons in the counties. Each community action agency and its
15 service area shall be designated in the state federal community service
16 block grant plan as prepared by the department of community
17 ~~((development))~~ and economic resources.

18 (3) Funds for anti-poverty programs may be distributed to the
19 community action agencies by the department of community
20 ~~((development))~~ and economic resources and other state agencies in
21 consultation with the authorized representatives of community action
22 agency networks.

23 **Sec. 58.** RCW 43.63A.155 and 1989 c 225 s 5 are each amended to
24 read as follows:

25 The department of community ~~((development))~~ and economic resources
26 shall retain the bond information it receives under RCW 39.44.210 and
27 39.44.230 and shall publish summaries of local government bond issues
28 at least once a year.

29 The department of community ~~((development))~~ and economic resources
30 shall adopt rules under chapter 34.05 RCW to implement RCW 39.44.210
31 and 39.44.230.

32 **Sec. 59.** RCW 43.63A.220 and 1987 c 505 s 34 are each amended to
33 read as follows:

34 (1) The department of community ~~((development))~~ and economic
35 resources is directed to undertake a study as to the best means of
36 providing encouragement and assistance to the formulation of employee

1 stock ownership plans providing for the partial or total acquisition,
2 through purchase, distribution in lieu of compensation, or a
3 combination of these means or any other lawful means, of shares of
4 stock or other instruments of equity in facilities by persons employed
5 at these facilities in cases in which operations at these facilities
6 would, absent employee equity ownership, be terminated, relocated
7 outside of the state, or so reduced in volume as to entail the
8 permanent layoff of a substantial number of the employees.

9 (2) In conducting its study, the department shall:

10 (a) Consider federal and state law relating directly or indirectly
11 to plans proposed under subsection (1) of this section, and to the
12 organization and operation of any trusts established pursuant to the
13 plans, including but not limited to, the federal internal revenue code
14 and any regulations promulgated under the internal revenue code, the
15 federal securities act of 1933 as amended and other federal statutes
16 providing for regulation of the issuance of securities, the federal
17 employee retirement income and security act of 1974 as amended, the
18 Chrysler loan guarantee legislation enacted by the United States
19 congress in 1979, and other federal and state laws relating to
20 employment, compensation, taxation, and retirement;

21 (b) Consult with relevant persons in the public sector, relevant
22 persons in the private sector, including trustees of any existing
23 employee stock ownership trust, and employees of any firm operating
24 under an employee stock ownership trust, and with members of the
25 academic community and of relevant branches of the legal profession;

26 (c) Examine the experience of trusts organized pursuant to an
27 employee stock ownership plan in this state or in any other state; and

28 (d) Make other investigations as it may deem necessary in carrying
29 out the purposes of this section.

30 (3) Pursuant to the findings and conclusions of the study conducted
31 under subsection (2) of this section, the department of community
32 (~~development~~) and economic resources shall develop a plan to
33 encourage and assist the formulation of employee stock ownership plans
34 providing for the acquisition of stock by employees of facilities in
35 this state which are subject to closure or drastically curtailed
36 operation. The department shall determine the amount of any costs of
37 implementing the plan.

38 (4) The director of community (~~development~~) and economic
39 resources shall, within one year of July 28, 1985, report the findings

1 and conclusion of the study, together with details of the plan
2 developed pursuant to the study, to the legislature, and shall include
3 in the report any recommendations for legislation which the director
4 deems appropriate.

5 (5) The department of community ~~((development))~~ and economic
6 resources shall carry out its duties under this section using available
7 resources.

8 **Sec. 60.** RCW 43.63A.230 and 1988 c 186 s 17 are each amended to
9 read as follows:

10 (1) The department of community ~~((development))~~ and economic
11 resources shall integrate an employee ownership program within its
12 existing technical assistance programs. The employee ownership program
13 shall provide technical assistance to cooperatives authorized under
14 chapter 23.78 RCW and conduct educational programs on employee
15 ownership and self-management. The department shall include
16 information on the option of employee ownership wherever appropriate in
17 its various programs.

18 (2) The department shall maintain a list of firms and individuals
19 with expertise in the field of employee ownership and utilize such
20 firms and individuals, as appropriate, in delivering and coordinating
21 the delivery of technical, managerial, and educational services. In
22 addition, the department shall work with and rely on the services of
23 ~~((the department of trade and economic development,))~~ the employment
24 security department~~((,))~~ and state institutions of higher education to
25 promote employee ownership.

26 (3) The department shall report to the governor, the ~~((trade and))~~
27 appropriate economic development ~~((committee of))~~ committees of the
28 senate and the house of representatives, ~~((the commerce and labor~~
29 ~~committee of the senate,))~~ and the ways and means committees of each
30 house by December 1 of 1988, and each year thereafter, on the
31 accomplishments of the employee-ownership program. Such reports shall
32 include the number and types of firms assisted, the number of jobs
33 created by such firms, the types of services, the number of workshops
34 presented, the number of employees trained, and the results of client
35 satisfaction surveys distributed to those using the services of the
36 program.

1 (4) For purposes of this section, an employee stock ownership plan
2 qualifies as a cooperative if at least fifty percent, plus one share,
3 of its voting shares of stock are voted on a one-person-one-vote basis.

4 **Sec. 61.** RCW 43.63A.245 and 1992 c 63 s 2 are each amended to read
5 as follows:

6 Unless the context clearly requires otherwise, the definitions in
7 this section apply throughout RCW 43.63A.240 through 43.63A.270.

8 "Agency" means one of the agencies or organizations participating
9 in the activities of the senior environmental corps.

10 "Coordinator" means the person designated by the director of the
11 department of community (~~development~~) and economic resources with the
12 advice of the council to administer the activities of the senior
13 environmental corps.

14 "Corps" means the senior environmental corps.

15 "Council" means the senior environmental corps coordinating
16 council.

17 "Department" means the department of community (~~development~~) and
18 economic resources.

19 "Director" means the director of the department of community
20 (~~development~~) and economic resources or the director's authorized
21 representative.

22 "Representative" means the person who represents an agency on the
23 council and is responsible for the activities of the senior
24 environmental corps in his or her agency.

25 "Senior" means any person who is fifty-five years of age or over.

26 "Volunteer" means a person who is willing to work without
27 expectation of salary or financial reward, and who chooses where he or
28 she provides services and the type of services he or she provides.

29 **Sec. 62.** RCW 43.63A.247 and 1992 c 63 s 3 are each amended to read
30 as follows:

31 The senior environmental corps is created within the department of
32 community (~~development~~) and economic resources. The departments of
33 agriculture, community (~~development~~) and economic resources,
34 employment security, ecology, fisheries, health, natural resources, and
35 wildlife, the parks and recreation commission, and the Puget Sound
36 water quality authority shall participate in the administration and

1 implementation of the corps and shall appoint representatives to the
2 council.

3 **Sec. 63.** RCW 43.63A.260 and 1992 c 63 s 5 are each amended to read
4 as follows:

5 The department shall convene a senior environmental corps
6 coordinating council to meet as needed to establish and assess
7 policies, define standards for projects, evaluate and select projects,
8 develop recruitment, training, and placement procedures, receive and
9 review project status and completion reports, and provide for
10 recognition of volunteer activity. The council shall include
11 representatives appointed by the departments of agriculture, community
12 (~~development~~) and economic resources, ecology, fisheries, health,
13 natural resources, and wildlife, the parks and recreation commission,
14 and the Puget Sound water quality authority. The council shall develop
15 bylaws, policies and procedures to govern its activities.

16 The council shall advise the director on distribution of available
17 funding for corps activities.

18 **Sec. 64.** RCW 43.63A.275 and 1992 c 65 s 2 are each amended to read
19 as follows:

20 (1) Each biennium the department of community (~~development~~) and
21 economic resources shall distribute such funds as are appropriated for
22 retired senior volunteer programs (RSVP) as follows:

23 (a) At least sixty-five percent of the moneys may be distributed
24 according to formulae and criteria to be determined by the department
25 of community (~~development~~) and economic resources in consultation
26 with the RSVP directors association.

27 (b) Up to twenty percent of the moneys may be distributed by
28 competitive grant process to develop RSVP projects in counties not
29 presently being served, or to expand existing RSVP services into
30 counties not presently served.

31 (c) Ten percent of the moneys may be used by the department of
32 community (~~development~~) and economic resources for administration,
33 monitoring of the grants, and providing technical assistance to the
34 RSVP projects.

35 (d) Up to five percent of the moneys may be used to support
36 projects that will benefit RSVPs state-wide.

1 (2) Grants under subsection (1) of this section shall give priority
2 to programs in the areas of education, tutoring, English as a second
3 language, combating of and education on drug abuse, housing and
4 homeless, and respite care, and shall be distributed in accordance with
5 the following:

6 (a) None of the grant moneys may be used to displace any paid
7 employee in the area being served.

8 (b) Grants shall be made for programs that focus on:

9 (i) Developing new roles for senior volunteers in nonprofit and
10 public organizations with special emphasis on areas targeted in section
11 1, chapter 65, Laws of 1992. The roles shall reflect the diversity of
12 the local senior population and shall respect their life experiences;

13 (ii) Increasing the expertise of volunteer managers and RSVP
14 managers in the areas of communication, recruitment, motivation, and
15 retention of today's over-sixty population;

16 (iii) Increasing the number of senior citizens recruited, referred,
17 and placed with nonprofit and public organizations; and

18 (iv) Providing volunteer support such as: Mileage to and from the
19 volunteer assignment, recognition, and volunteer insurance.

20 **Sec. 65.** RCW 43.63A.300 and 1986 c 266 s 54 are each amended to
21 read as follows:

22 The legislature finds that fire protection services at the state
23 level are provided by different, independent state agencies. This has
24 resulted in a lack of a comprehensive state-level focus for state fire
25 protection services, funding, and policy. It is the intent of the
26 legislature to consolidate fire protection services into a single state
27 agency and to create a state board with the responsibility of (1)
28 establishing a comprehensive state policy regarding fire protection
29 services and (2) advising the director of community ~~((development))~~ and
30 economic resources and the director of fire protection on matters
31 relating to their duties under state law. It is also the intent of the
32 legislature that the fire protection services program created herein
33 will assist local fire protection agencies in program development
34 without encroaching upon their historic autonomy.

35 **Sec. 66.** RCW 43.63A.320 and 1986 c 266 s 56 are each amended to
36 read as follows:

1 Except for matters relating to the statutory duties of the director
2 of community (~~development~~) and economic resources which are to be
3 carried out through the director of fire protection, the board shall
4 have the responsibility of developing a comprehensive state policy
5 regarding fire protection services. In carrying out its duties, the
6 board shall:

7 (1) Adopt a state fire protection master plan;

8 (2) Monitor fire protection in the state and develop objectives and
9 priorities to improve fire protection for the state's citizens;

10 (3) Establish and promote state arson control programs and ensure
11 development of local arson control programs;

12 (4) Provide representation for local fire protection services to
13 the governor in state-level fire protection planning matters such as,
14 but not limited to, hazardous materials;

15 (5) Seek and solicit grants, gifts, bequests, devices, and matching
16 funds for use in furthering the objectives and duties of the board, and
17 establish procedures for administering them;

18 (6) Promote mutual aid and disaster planning for fire services in
19 this state;

20 (7) Assure the dissemination of information concerning the amount
21 of fire damage including that damage caused by arson, and its causes
22 and prevention;

23 (8) Submit annually a report to the governor containing a statement
24 of its official acts pursuant to this chapter, and make such studies,
25 reports, and recommendations to the governor and the legislature as are
26 requested;

27 (9) Adopt a state fire training and education master plan;

28 (10) Develop and adopt a master plan for the construction,
29 equipping, maintaining, and operation of necessary fire service
30 training and education facilities, but the authority to construct,
31 equip, and maintain such facilities is subject to chapter 43.19 RCW;

32 (11) Develop and adopt a master plan for the purchase, lease, or
33 other acquisition of real estate necessary to establish and operate
34 fire service training and education facilities in a manner provided by
35 law;

36 (12) Adopt standards for state-wide fire service training and
37 education courses including courses in arson detection and
38 investigation for personnel of fire, police, and prosecutor's
39 departments;

1 (13) Assure the administration of any legislation enacted by the
2 legislature in pursuance of the aims and purposes of any acts of
3 Congress insofar as the provisions thereof may apply;

4 (14) Cooperate with the common schools, community colleges,
5 institutions of higher education, and any department or division of the
6 state, or of any county or municipal corporation in establishing and
7 maintaining instruction in fire service training and education in
8 accordance with any act of Congress and legislation enacted by the
9 legislature in pursuance thereof and in establishing, building, and
10 operating training and education facilities.

11 This section does not apply to forest fire service personnel and
12 programs. Industrial fire departments and private fire investigators
13 may participate in training and education programs under this chapter
14 for a reasonable fee established by rule.

15 **Sec. 67.** RCW 43.63A.330 and 1986 c 266 s 57 are each amended to
16 read as follows:

17 In regards to the statutory duties of the director of community
18 (~~development~~) and economic resources which are to be carried out
19 through the director of fire protection, the board shall serve in an
20 advisory capacity in order to enhance the continuity of state fire
21 protection services. In this capacity, the board shall:

22 (1) Advise the director of community (~~development~~) and economic
23 resources and the director of fire protection on matters pertaining to
24 their duties under law; and

25 (2) Advise the director of community (~~development~~) and economic
26 resources and the director of fire protection on all budgeting and
27 fiscal matters pertaining to the duties of the director of fire
28 protection and the board.

29 **Sec. 68.** RCW 43.63A.340 and 1986 c 266 s 58 are each amended to
30 read as follows:

31 (1) Wherever the term state fire marshal appears in the Revised
32 Code of Washington or the Washington Administrative Code it shall mean
33 the director of fire protection.

34 (2) The director of community (~~development~~) and economic
35 resources shall appoint an assistant director who shall be known as the
36 director of fire protection. The board, after consulting with the
37 director, shall prescribe qualifications for the position of director

1 of fire protection. The board shall submit to the director a list
2 containing the names of three persons whom the board believes meet its
3 qualifications. If requested by the director, the board shall submit
4 one additional list of three persons whom the board believes meet its
5 qualifications. The appointment shall be from one of the lists of
6 persons submitted by the board.

7 (3) The director of fire protection may designate one or more
8 deputies and may delegate to those deputies his or her duties and
9 authorities as deemed appropriate.

10 (4) The director of community ((development)) and economic
11 resources, through the director of fire protection, shall, after
12 consultation with the board, prepare a biennial budget pertaining to
13 fire protection services. Such biennial budget shall be submitted as
14 part of the department's budget request.

15 (5) The director of community ((development)) and economic
16 resources, through the director of fire protection, shall implement
17 and administer, within the constraints established by budgeted
18 resources, the policies of the board and all duties of the director of
19 community ((development)) and economic resources which are to be
20 carried out through the director of fire protection.

21 (6) The director of community ((development)) and economic
22 resources, through the director of fire protection, shall seek the
23 advice of the board in carrying out his or her duties under law.

24 **Sec. 69.** RCW 43.63A.400 and 1987 c 308 s 2 are each amended to
25 read as follows:

26 The department of community ((development)) and economic resources
27 shall distribute grants to eligible public radio and television
28 broadcast stations under RCW 43.63A.410 and 43.63A.420 to assist with
29 programming, operations, and capital needs.

30 **Sec. 70.** RCW 43.63A.410 and 1987 c 308 s 3 are each amended to
31 read as follows:

32 (1) Eligibility for grants under this section shall be limited to
33 broadcast stations which are:

34 (a) Licensed to Washington state organizations, nonprofit
35 corporations, or other entities under section 73.621 of the regulations
36 of the federal communications commission; and

1 (b) Qualified to receive community service grants from the
2 federally chartered corporation for public broadcasting. Eligibility
3 shall be established as of February 28th of each year.

4 (2) The formula in this subsection shall be used to compute the
5 amount of each eligible station's grant under this section.

6 (a) Appropriations under this section shall be divided into a radio
7 fund, which shall be twenty-five percent of the total appropriation
8 under this section, and a television fund, which shall be seventy-five
9 percent of the total appropriation under this section. Each of the two
10 funds shall be divided into a base grant pool, which shall be fifty
11 percent of the fund, and an incentive grant pool, which shall be the
12 remaining fifty percent of the fund.

13 (b) Each eligible participating public radio station shall receive
14 an equal share of the radio base grant pool, plus a share of the radio
15 incentive grant pool equal to the proportion its nonfederal financial
16 support bears to the sum of all participating radio stations'
17 nonfederal financial support as most recently reported to the
18 corporation for public broadcasting.

19 (c) Each eligible participating public television station shall
20 receive an equal share of the television base grant pool, plus a share
21 of the television incentive grant pool equal to the proportion its
22 nonfederal financial support bears to the sum of all participating
23 television stations' nonfederal financial support as most recently
24 reported to the corporation for public broadcasting.

25 (3) Annual financial reports to the corporation for public
26 broadcasting by eligible stations shall also be submitted by the
27 stations to the department of community ((development)) and economic
28 resources.

29 **Sec. 71.** RCW 43.63A.440 and 1989 c 424 s 7 are each amended to
30 read as follows:

31 (1) The department of community ((development)) and economic
32 resources shall provide technical and financial assistance to
33 communities adversely impacted by reductions in timber harvested from
34 federal lands. This assistance shall include the formation and
35 implementation of community economic development plans. The department
36 of community ((development)) and economic resources shall utilize
37 existing state technical and financial assistance programs, and shall
38 aid communities in seeking private and federal financial assistance for

1 the purposes of this section. The department may contract for services
2 provided for under this section.

3 (2) The sum of four hundred fifty thousand dollars, or as much
4 thereof as may be necessary, is appropriated from the general fund to
5 the department of community (~~(development)~~) and economic resources for
6 the biennium ending June 30, 1991, for the purposes of subsection (1)
7 of this section.

8 **Sec. 72.** RCW 43.63A.450 and 1990 c 278 s 2 are each amended to
9 read as follows:

10 The community diversification program is created in the department
11 of community (~~(development)~~) and economic resources. The program shall
12 include:

13 (1) The monitoring and forecasting of shifts in the economic
14 prospects of major defense employers in the state. This shall include
15 but not be limited to the monitoring of defense contract expenditures,
16 other federal contracts, defense employment shifts, the aircraft and
17 aerospace industry, computer products, and electronics;

18 (2) The identification of cities, counties, or regions within the
19 state that are primarily dependent on defense or other federal
20 contracting and the identification of firms dependent on federal
21 defense contracts;

22 (3) Assistance to communities in broadening the local economic base
23 through the provision of management assistance, assistance in
24 financing, entrepreneurial training, and assistance to businesses in
25 using off-the-shelf technology to start new production processes or
26 introduce new products;

27 (4) Formulating a state plan for diversification in defense
28 dependent communities in collaboration with the employment security
29 department(~~(, the department of trade and economic development,)~~) and
30 the office of financial management. The plan shall use the information
31 made available through carrying out subsections (1) and (2) of this
32 section; and

33 (5) The identification of diversification efforts conducted by
34 other states, the federal government, and other nations, and the
35 provision of information on these efforts, as well as information
36 gained through carrying out subsections (1) and (2) of this section, to
37 firms, communities, and (~~(workforces)~~) work forces that are defense
38 dependent.

1 The department shall, beginning January 1, 1992, report annually to
2 the governor and the legislature on the activities of the community
3 diversification program.

4 **Sec. 73.** RCW 43.63A.460 and 1990 c 176 s 2 are each amended to
5 read as follows:

6 Beginning on July 1, 1991, the department of community
7 (~~development~~) and economic resources shall be responsible for
8 performing all the consumer complaint and related functions of the
9 state administrative agency that are required for purposes of complying
10 with the regulations established by the federal department of housing
11 and urban development for manufactured housing, including the
12 preparation and submission of the state administrative plan.

13 The department of community (~~development~~) and economic resources
14 may enter into state or local interagency agreements to coordinate site
15 inspection activities with record monitoring and complaint handling.
16 The interagency agreement may also provide for the reimbursement for
17 cost of work that an agency performs. The department may include other
18 related areas in any interagency agreements which are necessary for the
19 efficient provision of services.

20 The department of labor and industries shall transfer all records,
21 files, books, and documents necessary for the department of community
22 (~~development~~) and economic resources to assume these new functions.

23 The directors of the department of community (~~development~~) and
24 economic resources and the department of labor and industries shall
25 immediately take such steps as are necessary to ensure that this act is
26 implemented on June 7, 1990.

27 **Sec. 74.** RCW 43.63A.600 and 1991 c 315 s 23 are each amended to
28 read as follows:

29 (1) The department of community (~~development~~) and economic
30 resources, as a member of the agency timber task force and in
31 consultation with the economic recovery coordination board, shall
32 establish and administer the emergency mortgage and rental assistance
33 program. The department shall identify the communities most adversely
34 affected by reductions in timber harvest levels and shall prioritize
35 assistance under this program to these communities. The department
36 shall work with the department of social and health services and the
37 timber recovery coordinator to develop the program in timber impact

1 areas. Organizations eligible to receive funds for distribution under
2 the program are those organizations that are eligible to receive
3 assistance through the Washington housing trust fund.

4 (2) The goals of the program are to:

5 (a) Provide temporary emergency mortgage or rental assistance loans
6 on behalf of dislocated forest products workers in timber impact areas
7 who are unable to make current mortgage or rental payments on their
8 permanent residences and are subject to immediate eviction for
9 nonpayment of mortgage installments or nonpayment of rent;

10 (b) Prevent the dislocation of individuals and families from their
11 permanent residences and their communities; and

12 (c) Maintain economic and social stability in timber impact areas.

13 **Sec. 75.** RCW 43.105.020 and 1990 c 208 s 3 are each amended to
14 read as follows:

15 As used in this chapter, unless the context indicates otherwise,
16 the following definitions shall apply:

17 (1) "Department" means the department of information services;

18 (2) "Board" means the information services board;

19 (3) "Local governments" includes all municipal and quasi municipal
20 corporations and political subdivisions, and all agencies of such
21 corporations and subdivisions authorized to contract separately;

22 (4) "Director" means the director of the department;

23 (5) "Purchased services" means services provided by a vendor to
24 accomplish routine, continuing, and necessary functions. This term
25 includes, but is not limited to, services acquired for equipment
26 maintenance and repair, operation of a physical plant, security,
27 computer hardware and software installation and maintenance, data
28 entry, keypunch services, programming services, and computer time-
29 sharing;

30 (6) "Backbone network" means the shared high-density portions of
31 the state's telecommunications transmission facilities. It includes
32 specially conditioned high-speed communications carrier lines,
33 multiplexors, switches associated with such communications lines, and
34 any equipment and software components necessary for management and
35 control of the backbone network;

36 (7) "Telecommunications" means the transmission of information by
37 wire, radio, optical cable, electromagnetic, or other means;

1 (8) "Information processing" means the electronic capture,
2 collection, storage, manipulation, transmission, retrieval, and
3 presentation of information in the form of data, text, voice, or image
4 and includes telecommunications and office automation functions;

5 (9) "Information services" means data processing,
6 telecommunications, and office automation;

7 (10) "Equipment" means the machines, devices, and transmission
8 facilities used in information processing, such as computers, word
9 processors, terminals, telephones, and cables;

10 (11) "Proprietary software" means that software offered for sale or
11 license;

12 (12) "Video telecommunications" means the electronic
13 interconnection of two or more sites for the purpose of transmitting
14 and/or receiving visual and associated audio information. Video
15 telecommunications shall not include existing public television
16 broadcast stations as currently designated by the department of
17 community ~~((development))~~ and economic resources under chapter
18 ~~((43.63A))~~ 43.-- RCW (sections 1 through 8, 10 through 14, and 76 of
19 this act).

20 NEW SECTION. **Sec. 76.** (1) All references to the director or
21 department of community development in the Revised Code of Washington
22 shall be construed to mean the director or department of community and
23 economic resources.

24 (2) All references to the director or department of trade and
25 economic development in the Revised Code of Washington shall be
26 construed to mean the director or department of community and economic
27 resources.

28 **Sec. 77.** RCW 43.31.091 and 1990 c 297 s 9 are each amended to read
29 as follows:

30 The business assistance center and its powers and duties shall be
31 terminated on June 30, ~~((1993))~~ 1995, as provided in RCW 43.31.092.

32 **Sec. 78.** RCW 43.31.092 and 1990 c 297 s 10 are each amended to
33 read as follows:

34 The following acts or parts of acts, as now existing or hereafter
35 amended, are each repealed, effective June 30, ~~((1994))~~ 1996:

36 (1) Section 2, chapter 348, Laws of 1987 and RCW 43.31.083;

- 1 (2) Section 11, chapter 466, Laws of 1985, section 3, chapter 348,
2 Laws of 1987, section 2, chapter 430, Laws of 1989 and RCW 43.31.085;
3 (3) Section 4, chapter 348, Laws of 1987 and RCW 43.31.087; and
4 (4) Section 5, chapter 348, Laws of 1987 and RCW 43.31.089.

5 NEW SECTION. **Sec. 79.** The following acts or parts of acts are
6 each repealed:

- 7 (1) RCW 43.31.005 and 1990 1st ex.s. c 17 s 68 & 1985 c 466 s 1;
8 (2) RCW 43.31.015 and 1985 c 466 s 2;
9 (3) RCW 43.31.025 and 1987 c 348 s 8 & 1985 c 466 s 3;
10 (4) RCW 43.31.035 and 1990 1st ex.s. c 17 s 69 & 1985 c 466 s 4;
11 (5) RCW 43.31.045 and 1985 c 466 s 5;
12 (6) RCW 43.31.055 and 1985 c 466 s 6;
13 (7) RCW 43.31.065 and 1985 c 466 s 9;
14 (8) RCW 43.31.075 and 1985 c 466 s 10;
15 (9) RCW 43.31.095 and 1985 c 466 s 12;
16 (10) RCW 43.31.097 and 1990 1st ex.s. c 17 s 71;
17 (11) RCW 43.31.105 and 1985 c 466 s 13;
18 (12) RCW 43.31.115 and 1985 c 466 s 14;
19 (13) RCW 43.31.130 and 1975-'76 2nd ex.s. c 34 s 110 & 1965 c 8 s
20 43.31.130;
21 (14) RCW 43.31.135 and 1987 c 505 s 30 & 1985 c 466 s 17;
22 (15) RCW 43.31.373 and 1988 c 35 s 1, 1985 c 466 s 24, & 1984 c 175
23 s 1;
24 (16) RCW 43.31.375 and 1985 c 466 s 25 & 1984 c 175 s 2;
25 (17) RCW 43.31.377 and 1988 c 35 s 2, 1985 c 466 s 26, & 1984 c 175
26 s 3;
27 (18) RCW 43.31.379 and 1988 c 35 s 3, 1985 c 466 s 27, & 1984 c 175
28 s 4;
29 (19) RCW 43.31.381 and 1988 c 35 s 4, 1985 c 466 s 28, & 1984 c 175
30 s 5;
31 (20) RCW 43.31.383 and 1985 c 466 s 29 & 1984 c 175 s 6;
32 (21) RCW 43.31.387 and 1985 c 466 s 31 & 1984 c 175 s 8;
33 (22) RCW 43.31.430 and 1989 c 423 s 2;
34 (23) RCW 43.31.432 and 1989 c 423 s 3;
35 (24) RCW 43.31.434 and 1989 c 423 s 6;
36 (25) RCW 43.31.436 and 1989 c 423 s 7;
37 (26) RCW 43.31.438 and 1989 c 423 s 8;
38 (27) RCW 43.31.440 and 1989 c 423 s 9;

1 (28) RCW 43.31.442 and 1989 c 423 s 10;
2 (29) RCW 43.31.651 and 1991 c 314 s 9;
3 (30) RCW 43.31.790 and 1975 1st ex.s. c 292 s 2 & 1965 c 148 s 1;
4 (31) RCW 43.31.800 and 1987 c 195 s 4 & 1965 c 148 s 2;
5 (32) RCW 43.31.810 and 1987 c 195 s 5, 1975 1st ex.s. c 292 s 3, &
6 1965 c 148 s 3;
7 (33) RCW 43.31.820 and 1987 c 195 s 6, 1975 1st ex.s. c 292 s 4, &
8 1965 c 148 s 4;
9 (34) RCW 43.63A.020 and 1986 c 266 s 136, 1984 c 125 s 2, & 1967 c
10 74 s 2;
11 (35) RCW 43.63A.030 and 1984 c 125 s 1 & 1967 c 74 s 3;
12 (36) RCW 43.63A.040 and 1984 c 125 s 3, 1975 c 40 s 10, & 1967 c 74
13 s 4;
14 (37) RCW 43.63A.050 and 1967 c 74 s 5;
15 (38) RCW 43.63A.060 and 1987 c 505 s 32, 1984 c 125 s 4, & 1967 c
16 74 s 6;
17 (39) RCW 43.63A.065 and 1992 c 198 s 7, 1990 1st ex.s. c 17 s 70,
18 1986 c 266 s 137, & 1984 c 125 s 5;
19 (40) RCW 43.63A.078 and 1987 c 505 s 33 & 1984 c 125 s 7;
20 (41) RCW 43.63A.095 and 1984 c 125 s 8;
21 (42) RCW 43.63A.100 and 1984 c 125 s 9 & 1967 c 74 s 10;
22 (43) RCW 43.63A.130 and 1983 c 52 s 6, 1981 c 157 s 6, & 1967 c 74
23 s 13;
24 (44) RCW 43.63A.140 and 1967 c 74 s 14;
25 (45) RCW 43.63A.210 and 1985 c 85 s 1;
26 (46) RCW 43.63A.560 and 1990 1st ex.s. c 17 s 67;
27 (47) RCW 43.165.020 and 1985 c 229 s 2;
28 (48) RCW 43.165.030 and 1987 c 195 s 13 & 1985 c 229 s 3;
29 (49) RCW 43.165.040 and 1985 c 229 s 4;
30 (50) RCW 43.165.050 and 1985 c 229 s 5;
31 (51) RCW 43.165.060 and 1985 c 229 s 6;
32 (52) RCW 43.165.070 and 1985 c 229 s 7;
33 (53) RCW 43.165.080 and 1987 c 195 s 14 & 1985 c 229 s 8;
34 (54) RCW 43.165.090 and 1985 c 229 s 9;
35 (55) RCW 43.165.100 and 1985 c 229 s 10;
36 (56) RCW 43.165.900 and 1985 c 229 s 14; and
37 (57) RCW 43.165.901 and 1985 c 229 s 15.

1 NEW SECTION. **Sec. 80.** Sections 1 through 8, 10 through 14, and 76
2 of this act shall constitute a new chapter in Title 43 RCW.

3 NEW SECTION. **Sec. 81.** Sections 1 through 8 and 10 through 80 of
4 this act shall take effect July 1, 1994.

5 NEW SECTION. **Sec. 82.** If any provision of this act or its
6 application to any person or circumstance is held invalid, the
7 remainder of the act or the application of the provision to other
8 persons or circumstances is not affected.

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