
SUBSTITUTE SENATE BILL 5800

State of Washington

58th Legislature

2003 Regular Session

By Senate Committee on Economic Development (originally sponsored by Senators Brown, Sheahan, B. Sheldon, Finkbeiner, Doumit, Reardon, McCaslin, Keiser, Kohl-Welles, McAuliffe, Rasmussen, Schmidt, Shin, Thibaudeau and Winsley)

READ FIRST TIME 02/24/03.

1 AN ACT Relating to establishing the economic development
2 commission; amending RCW 43.330.040; and adding a new chapter to Title
3 43 RCW.

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

5 NEW SECTION. **Sec. 1.** The legislature finds that Washington's
6 innovation and trade-driven economy has provided tremendous
7 opportunities for citizens of the state, but that there is no guarantee
8 that globally competitive firms will continue to grow and locate in the
9 state. The legislature also finds that developing an effective
10 economic development strategy for the state and operating effective
11 economic development programs, including workforce training, technology
12 transfer, and export assistance, are vital to the state's efforts to
13 encourage employment growth, increase state revenues, and generate
14 economic well-being. In addition, the legislature finds that there is
15 a need for responsive and consistent involvement of the private sector
16 in the state's economic development efforts. It is the intent of the
17 legislature to create an economic development commission that will
18 develop and update the state's economic development strategy and

1 performance measures and provide advice to and oversight of the
2 department of community, trade, and economic development.

3 NEW SECTION. **Sec. 2.** (1) The economic development commission is
4 established. The commission shall consist of seven members appointed
5 by the governor and shall serve at the pleasure of the governor for
6 three-year terms, except that through June 30, 2004, members currently
7 serving on the economic development commission created by executive
8 order may continue to serve at the pleasure of the governor. The
9 members of the commission shall be broadly representative of the
10 geographic regions of the state and at least two members shall be from
11 eastern Washington. In making appointments, the governor shall consult
12 with organizations that have an interest in economic development,
13 including, but not limited to, economic development councils, chambers
14 of commerce, port associations, industry associations, labor
15 organizations, minority business associations, and the chairs of the
16 legislative committees with jurisdiction over economic development.
17 The commission chair shall be selected from among the appointed members
18 by majority vote of the members.

19 (2) The commission may establish committees as it desires and may
20 invite nonmembers of the commission to serve as committee members, but
21 the nonmembers shall not receive the reimbursement provided for by
22 subsection (3) of this section.

23 (3) Members of the economic development commission shall be
24 reimbursed for travel expenses as provided in RCW 43.03.050 and
25 43.03.060.

26 (4) The economic development commission shall receive the necessary
27 staff support from the staff resources of the governor, the department
28 of community, trade, and economic development, and other state agencies
29 as appropriate, and within existing resources and operations.

30 NEW SECTION. **Sec. 3.** The economic development commission shall:

31 (1) Review and periodically update the state's economic development
32 strategy, including implementation steps and performance measures;

33 (2) Perform an annual evaluation of the strategy and the
34 effectiveness of the state's laws, policies, and programs which promote
35 economic development and make recommendations to the governor and the
36 legislature;

1 (3) Provide policy direction to the department of community, trade,
2 and economic development regarding: (a) Strategies that promote
3 business retention, expansion, and creation within the state; (b)
4 marketing strategies that promote products and services of the state;
5 (c) strategies that promote the business climate of the state and
6 stimulate increased national and international investment in the state;
7 (d) strategies to enhance relationships and cooperation on economic
8 development efforts between local governments, economic development
9 councils, federal agencies, state agencies, and the legislature; (e)
10 strategies to integrate economic development programs, including
11 workforce training, technology transfer, and export assistance; and (f)
12 strategies to make the funds available for economic development
13 purposes more flexible to meet emergent needs and maximize
14 opportunities;

15 (4) Assist the department of community, trade, and economic
16 development with the procurement and deployment of private funds for
17 business development, retention, expansion, and recruitment as well as
18 other economic development efforts; and

19 (5) Review and provide feedback on legislative proposals and
20 administrative initiatives and plans concerning economic development
21 issues.

22 **Sec. 4.** RCW 43.330.040 and 1993 c 280 s 6 are each amended to read
23 as follows:

24 (1) The director shall supervise and administer the activities of
25 the department consistent with the policy direction provided by the
26 economic development commission created in section 2 of this act and
27 shall advise the governor and the legislature with respect to community
28 and economic development matters affecting the state.

29 (2) In addition to other powers and duties granted to the director,
30 the director shall have the following powers and duties:

31 (a) Enter into contracts on behalf of the state to carry out the
32 purposes of this chapter;

33 (b) Act for the state in the initiation of or participation in any
34 multigovernmental program relative to the purpose of this chapter;

35 (c) Accept and expend gifts and grants, whether such grants be of
36 federal or other funds;

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

4 (e) Prepare and submit budgets for the department for executive and
5 legislative action;

6 (f) Submit recommendations for legislative actions as are deemed
7 necessary to further the purposes of this chapter;

8 (g) Adopt rules in accordance with chapter 34.05 RCW and perform
9 all other functions necessary and proper to carry out the purposes of
10 this chapter;

11 (h) Delegate powers, duties, and functions as the director deems
12 necessary for efficient administration, but the director shall be
13 responsible for the official acts of the officers and employees of the
14 department; and

15 (i) Perform other duties as are necessary and consistent with law.

16 (3) When federal or other funds are received by the department,
17 they shall be promptly transferred to the state treasurer and
18 thereafter expended only upon the approval of the director.

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

24 (5) The director shall, in carrying out the responsibilities of
25 office, consult with governmental officials, private groups, and
26 individuals and with officials of other states. All state agencies and
27 their officials and the officials of any political subdivision of the
28 state shall cooperate with and give such assistance to the department,
29 including the submission of requested information, to allow the
30 department to carry out its purposes under this chapter.

31 (6) The director may establish additional advisory or coordinating
32 groups with the legislature, within state government, with state and
33 other governmental units, with the private sector and nonprofit
34 entities or in specialized subject areas as may be necessary to carry
35 out the purposes of this chapter.

36 (7) The internal affairs of the department shall be under the
37 control of the director in order that the director may manage the
38 department in a flexible and intelligent manner as dictated by changing

1 contemporary circumstances. Unless specifically limited by law, the
2 director shall have complete charge and supervisory powers over the
3 department. The director may create such administrative structures as
4 the director deems appropriate, except as otherwise specified by law,
5 and the director may employ such personnel as may be necessary in
6 accordance with chapter 41.06 RCW, except as otherwise provided by law.

7 NEW SECTION. **Sec. 5.** Sections 1 through 3 of this act constitute
8 a new chapter in Title 43 RCW.

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