

CERTIFICATION OF ENROLLMENT

**SUBSTITUTE SENATE BILL 5176**

Chapter 136, Laws of 2005

59th Legislature  
2005 Regular Session

DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT--  
STATUTORY CONSOLIDATION

EFFECTIVE DATE: 7/1/05

Passed by the Senate March 9, 2005  
YEAS 47 NAYS 0

BRAD OWEN

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**President of the Senate**

Passed by the House April 6, 2005  
YEAS 95 NAYS 0

FRANK CHOPP

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**Speaker of the House of Representatives**

CERTIFICATE

I, Thomas Hoemann, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 5176** as passed by the Senate and the House of Representatives on the dates hereon set forth.

THOMAS HOEMANN

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**Secretary**

Approved April 22, 2005.

FILED

April 22, 2005 - 3:25 p.m.

CHRISTINE GREGOIRE

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**Governor of the State of Washington**

**Secretary of State  
State of Washington**

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**SUBSTITUTE SENATE BILL 5176**

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Passed Legislature - 2005 Regular Session

**State of Washington                      59th Legislature                      2005 Regular Session**

**By** Senate Committee on International Trade & Economic Development  
(originally sponsored by Senators Shin, Doumit, Rasmussen, Eide,  
Roach and Berkey)

READ FIRST TIME 02/04/05.

1            AN ACT Relating to consolidation of department of community, trade,  
2 and economic development statutory obligations and repealing obsolete  
3 statutes; amending RCW 43.21J.010, 43.63A.230, 43.168.020, 43.168.040,  
4 43.168.050, 43.168.060, 43.168.070, 43.168.090, 43.168.100, 43.168.130,  
5 43.168.150, 43.330.050, 43.330.060, 43.330.090, 43.330.092, 47.36.330,  
6 and 43.31.522; creating a new section; repealing RCW 43.31.057,  
7 43.31.093, 43.31.145, 43.31.390, 43.31.403, 43.31.406, 43.31.409,  
8 43.31.411, 43.31.414, 43.31.417, 43.31.526, 43.63A.240, 43.63A.245,  
9 43.63A.247, 43.63A.249, 43.63A.265, 43.63A.270, 43.63A.715, 43.160.115,  
10 43.160.180, 43.165.010, 43.168.031, 43.170.010, 43.170.020, 43.170.030,  
11 43.170.040, 43.170.060, 43.170.070, 43.172.005, 43.172.010, 43.172.011,  
12 43.172.020, 43.172.030, 43.172.040, 43.172.050, 43.172.060, 43.172.070,  
13 43.172.080, 43.172.090, 43.172.100, 43.172.110, 43.172.120, 43.172.900,  
14 43.172.901, 43.172.902, 43.172.903, 43.330.180, 43.21A.670, 43.23.240,  
15 43.30.470, 43.70.450, 77.12.750, 79A.05.350, and 90.71.090; providing  
16 an effective date; and declaring an emergency.

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

18            **Sec. 1.** RCW 43.21J.010 and 1995 c 226 s 26 are each amended to  
19 read as follows:

1 (1) It is the intent of this chapter to provide financial resources  
2 to make substantial progress toward: (a) Implementing the Puget Sound  
3 water quality management plan and other watershed-based management  
4 strategies and plans; (b) ameliorating degradation to watersheds; and  
5 (c) keeping and creating stable, environmentally sound, good wage  
6 employment in Washington state. The legislature intends that  
7 employment under this chapter is not to result in the displacement or  
8 partial displacement, whether by the reduction of hours of nonovertime  
9 work, wages, or other employment benefits, of currently employed  
10 workers, including but not limited to state civil service employees, or  
11 of currently or normally contracted services.

12 (2) It is the purpose of this chapter to:

13 (a) Implement clean water, forest, and habitat restoration projects  
14 that will produce measurable improvements in water and habitat quality,  
15 that rate highly when existing environmental ranking systems are  
16 applied, and that provide economic stability.

17 (b) Facilitate the coordination and consistency of federal, state,  
18 tribal, local, and private water and habitat protection and enhancement  
19 programs in the state's watersheds.

20 (c) Fund necessary projects for which a public planning process has  
21 been completed.

22 (d) Provide immediate funding to create jobs and training for  
23 environmental restoration and enhancement jobs for unemployed workers  
24 and displaced workers in impact areas, especially rural natural  
25 resources-dependent communities.

26 (3) For purposes of this chapter "impact areas" means: (a)  
27 Distressed counties as defined in RCW ((~~43.165.010(3)(a)~~)) 43.168.020;  
28 and (b) (~~(subcounty areas in those counties not covered under (a) of~~  
29 ~~this subsection that are rural natural resources impact areas as~~  
30 ~~defined in RCW 43.31.601; (c) urban subcounty areas as defined in RCW~~  
31 ~~43.165.010(3)(c); and (d))~~) areas that the task force determines are  
32 likely to experience dislocations in the near future from downturns in  
33 natural resource-based industries.

34 (4) For purposes of this chapter, "high-risk youth" means youth  
35 eligible for Washington conservation corps programs under chapter  
36 43.220 RCW or Washington service corps programs under chapter 50.65  
37 RCW.

1 (5) For purposes of this chapter, "dislocated forest products  
2 worker" has the meaning set forth in \*RCW 50.70.010.

3 (6) For purposes of this chapter, "task force" means the  
4 environmental enhancement and job creation task force created under RCW  
5 43.21J.030.

6 **Sec. 2.** RCW 43.63A.230 and 1993 c 280 s 63 are each amended to  
7 read as follows:

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

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

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

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

1           **Sec. 3.** RCW 43.168.020 and 1999 c 164 s 502 are each amended to  
2 read as follows:

3           Unless the context clearly requires otherwise, the definitions in  
4 this section apply throughout this chapter.

5           (1) "Department" means the department of community, trade, and  
6 economic development.

7           (2) "Director" means the director of community, trade, and economic  
8 development.

9           (3) "Distressed area" means: (a) A rural county; (b) a county  
10 which has an unemployment rate which is twenty percent above the state  
11 average for the immediately previous three years; (c) a county that has  
12 a median household income that is less than seventy-five percent of the  
13 state median household income for the previous three years; (d) a  
14 metropolitan statistical area, as defined by the office of federal  
15 statistical policy and standards, United States department of commerce,  
16 in which the average level of unemployment for the calendar year  
17 immediately preceding the year in which an application is filed under  
18 this chapter exceeds the average state unemployment for such calendar  
19 year by twenty percent; or (e) an area within a county, which area:  
20 (i) Is composed of contiguous census tracts; (ii) has a minimum  
21 population of five thousand persons; (iii) has at least seventy percent  
22 of its families and unrelated individuals with incomes below eighty  
23 percent of the county's median income for families and unrelated  
24 individuals; and (iv) has an unemployment rate which is at least forty  
25 percent higher than the county's unemployment rate(~~(; or (f) a county~~  
26 ~~designated as a rural natural resources impact area under RCW 43.31.601~~  
27 ~~if an application is filed by July 1, 1997)).~~ For purposes of this  
28 definition, "families and unrelated individuals" has the same meaning  
29 that is ascribed to that term by the federal department of housing and  
30 urban development in its regulations authorizing action grants for  
31 economic development and neighborhood revitalization projects.

32           (4) "Fund" means the rural Washington loan fund.

33           (5) "Local development organization" means a nonprofit organization  
34 which is organized to operate within an area, demonstrates a commitment  
35 to a long-standing effort for an economic development program, and  
36 makes a demonstrable effort to assist in the employment of unemployed  
37 or underemployed residents in an area.

1 (6) "Project" means the establishment of a new or expanded business  
2 in an area which when completed will provide employment opportunities.  
3 "Project" also means the retention of an existing business in an area  
4 which when completed will provide employment opportunities.

5 (7) "Rural county" means a county with a population density of  
6 fewer than one hundred persons per square mile as determined by the  
7 office of financial management.

8 **Sec. 4.** RCW 43.168.040 and 1987 c 461 s 3 are each amended to read  
9 as follows:

10 Subject to the restrictions contained in this chapter, the  
11 ~~((committee))~~ director is authorized to approve applications of local  
12 governments for federal community development block grant funds which  
13 the local governments would use to make loans to finance business  
14 projects within their jurisdictions. Applications approved by the  
15 ~~((committee))~~ director under this chapter shall conform to applicable  
16 federal requirements.

17 **Sec. 5.** RCW 43.168.050 and 1993 c 512 s 12 are each amended to  
18 read as follows:

19 (1) The ~~((committee))~~ director may only approve an application  
20 providing a loan for a project which the ~~((committee))~~ director finds:

21 (a) Will result in the creation of employment opportunities, the  
22 maintenance of threatened employment, or development or expansion of  
23 business ownership by minorities and women;

24 (b) ~~((Has been approved by the director as conforming))~~ Will  
25 conform to federal rules and regulations governing the spending of  
26 federal community development block grant funds;

27 (c) Will be of public benefit and for a public purpose, and that  
28 the benefits, including increased or maintained employment, improved  
29 standard of living, the employment of disadvantaged workers, and  
30 development or expansion of business ownership by minorities and women,  
31 will primarily accrue to residents of the area;

32 (d) Will probably be successful;

33 (e) Would probably not be completed without the loan because other  
34 capital or financing at feasible terms is unavailable or the return on  
35 investment is inadequate.

1 (2) The ((committee)) director shall, subject to federal block  
2 grant criteria, give higher priority to economic development projects  
3 that contain provisions for child care.

4 (3) The ((committee)) director may not approve an application if it  
5 fails to provide for adequate reporting or disclosure of financial data  
6 to the ((committee)) director. The ((committee)) director may require  
7 an annual or other periodic audit of the project books.

8 (4) The ((committee)) director may require that the project be  
9 managed in whole or in part by a local development organization and may  
10 prescribe a management fee to be paid to such organization by the  
11 recipient of the loan or grant.

12 ~~(5)((a) Except as provided in (b) of this subsection, the~~  
13 ~~committee shall not approve any application which would result in a~~  
14 ~~loan or grant in excess of three hundred fifty thousand dollars.~~

15 ~~(b))~~ The ((committee)) director may approve an application which  
16 results in a loan or grant of up to ~~((seven hundred thousand))~~ one  
17 million dollars ~~((if the application has been approved by the~~  
18 ~~director))~~.

19 (6) The ((committee)) director shall fix the terms and rates  
20 pertaining to ((its)) fund loans.

21 (7) Should there be more demand for loans than funds available for  
22 lending, the ((committee)) director shall provide loans for those  
23 projects which will lead to the greatest amount of employment or  
24 benefit to a community. In determining the "greatest amount of  
25 employment or benefit" the ((committee)) director shall also consider  
26 the employment which would be saved by its loan and the benefit  
27 relative to the community, not just the total number of new jobs or  
28 jobs saved.

29 (8) To the extent permitted under federal law the ((committee))  
30 director shall require applicants to provide for the transfer of all  
31 payments of principal and interest on loans to the ~~((Washington state~~  
32 ~~development loan))~~ fund created under this chapter. Under  
33 circumstances where the federal law does not permit the ((committee))  
34 director to require such transfer, the ((committee)) director shall  
35 give priority to applications where the applicants on their own  
36 volition make commitments to provide for the transfer.

37 (9) The ((committee)) director shall not approve any application to  
38 finance or help finance a shopping mall.

1 (10) For loans not made to minority and women-owned businesses, the  
2 ((committee)) director shall make at least eighty percent of the  
3 appropriated funds available to projects located in distressed areas,  
4 and may make up to twenty percent available to projects located in  
5 areas not designated as distressed. For loans not made to minority and  
6 women-owned businesses, the ((committee)) director shall not make funds  
7 available to projects located in areas not designated as distressed if  
8 the fund's net worth is less than seven million one hundred thousand  
9 dollars.

10 (11) If an objection is raised to a project on the basis of unfair  
11 business competition, the ((committee)) director shall evaluate the  
12 potential impact of a project on similar businesses located in the  
13 local market area. A grant may be denied by the ((committee)) director  
14 if a project is not likely to result in a net increase in employment  
15 within a local market area.

16 (12) For loans to minority and women-owned businesses who do not  
17 meet the credit criteria, the ((committee)) director may consider  
18 nontraditional credit standards to offset past discrimination that has  
19 precluded full participation of minority or women-owned businesses in  
20 the economy. For applicants with high potential who do not meet the  
21 credit criteria, the ((committee)) director shall consider developing  
22 alternative borrowing methods. For applicants denied loans due to  
23 credit problems, the ((committee)) department shall provide financial  
24 counseling within available resources and provide referrals to credit  
25 rehabilitation services. In circumstances of competing applications,  
26 priority shall be given to members of eligible groups which previously  
27 have been least served by this fund.

28 **Sec. 6.** RCW 43.168.060 and 1985 c 164 s 6 are each amended to read  
29 as follows:

30 ~~((The department shall provide adequate and appropriate staff and  
31 other support to the committee. A record of committee proceedings  
32 shall be maintained by the department.))~~ The department is encouraged  
33 to work with local development organizations to promote applications  
34 for loans by the fund. The department shall also provide assistance to  
35 local development organizations and local governments to identify  
36 viable projects for consideration ~~((by the committee))~~. The department



1 shall adopt such rules and regulations as are appropriate for (~~the~~  
2 ~~committee to carry out its authority under~~) implementation of this  
3 chapter.

4 **Sec. 7.** RCW 43.168.070 and 1993 c 512 s 14 are each amended to  
5 read as follows:

6 The (~~committee~~) director may receive and approve applications on  
7 a monthly basis but shall receive and approve applications on at least  
8 a quarterly basis for each fiscal year. The (~~committee~~) director  
9 shall make every effort to simplify the loan process for applicants.  
10 Department staff shall process and assist in the preparation of  
11 applications. Each application shall show in detail the nature of the  
12 project, the types and numbers of jobs to be created, wages to be paid  
13 to new employees, and methods to hire unemployed persons from the area.  
14 Each application shall contain a credit analysis of the business to  
15 receive the loan. (~~The chairperson of the committee may convene the~~  
16 ~~committee~~) The director may respond on short notice (~~to respond~~) to  
17 applications of a serious or immediate nature.

18 **Sec. 8.** RCW 43.168.090 and 1985 c 164 s 9 are each amended to read  
19 as follows:

20 The department shall (~~make available for~~) use (~~by the~~  
21 ~~committee~~) for the fund an amount of federal community development  
22 block grant funds equal to the amount of state funds transferred or  
23 appropriated to the department for purposes of supplementing the  
24 department's block grant funds.

25 **Sec. 9.** RCW 43.168.100 and 1993 c 512 s 15 are each amended to  
26 read as follows:

27 The (~~committee~~) director may make grants of state funds to local  
28 governments which qualify as "entitlement communities" under the  
29 federal law authorizing community development block grants. These  
30 grants may only be made on the condition that the entitlement community  
31 provide the (~~committee~~) director with assurances that it will: (1)  
32 Spend the grant moneys for purposes and in a manner which satisfies  
33 state constitutional requirements; (2) spend the grant moneys for  
34 purposes and in a manner which would satisfy federal requirements; and

1 (3) spend at least the same amount of the grant for loans to businesses  
2 from the federal funds received by the entitlement community.

3 **Sec. 10.** RCW 43.168.130 and 1998 c 245 s 52 are each amended to  
4 read as follows:

5 The ((committee)) director shall develop performance standards for  
6 judging the effectiveness of the program. Such standards shall  
7 include, to the extent possible, examining the effectiveness of grants  
8 in regard to:

- 9 (1) Job creation for individuals of low and moderate income;
- 10 (2) Retention of existing employment;
- 11 (3) The creation of new employment opportunities;
- 12 (4) The diversification of the economic base of local communities;
- 13 (5) The establishment of employee cooperatives;
- 14 (6) The provision of assistance in cases of employee buy-outs of  
15 firms to prevent the loss of existing employment;
- 16 (7) The degree of risk assumed by the ((development-loan)) fund,  
17 with emphasis on loans which did not receive financing from commercial  
18 lenders, but which are considered financially sound.

19 **Sec. 11.** RCW 43.168.150 and 1993 c 512 s 13 are each amended to  
20 read as follows:

21 Subject to the restrictions contained in this chapter, the  
22 ((committee)) director is authorized to approve applications of  
23 minority and women-owned businesses for loans or loan guarantees from  
24 the fund. Applications approved by the ((committee)) director under  
25 this chapter shall conform to applicable federal requirements. The  
26 ((committee)) director shall prioritize available funds for loan  
27 guarantees rather than loans when possible. The ((committee)) director  
28 may enter into agreements with other public or private lending  
29 institutions to develop a joint loan guarantee program for minority and  
30 women-owned businesses. If such a program is developed, the  
31 ((committee)) director may provide funds, in conjunction with the other  
32 organizations, to operate the program. This section does not preclude  
33 the ((committee)) director from making individual loan guarantees.

34 To the maximum extent practicable, the funds available under this  
35 section shall be made available on an equal basis to minority and  
36 women-owned businesses. The ((committee)) director shall submit to the

1 appropriate committees of the senate and house of representatives  
2 quarterly reports that detail the number of loans approved and the  
3 characteristics of the recipients by ethnic and gender groups.

4 **Sec. 12.** RCW 43.330.050 and 1993 c 280 s 7 are each amended to  
5 read as follows:

6 The department shall be responsible for promoting community and  
7 economic development within the state by assisting the state's  
8 communities to increase the quality of life of their citizens and their  
9 economic vitality, and by assisting the state's businesses to maintain  
10 and increase their economic competitiveness, while maintaining a  
11 healthy environment. Community and economic development efforts shall  
12 include: Efforts to increase economic opportunity; local planning to  
13 manage growth; the promotion and provision of affordable housing and  
14 housing-related services; providing public infrastructure; business and  
15 trade development; assisting firms and industrial sectors to increase  
16 their competitiveness; fostering the development of minority and women-  
17 owned businesses; facilitating technology development, transfer, and  
18 diffusion; community services and advocacy for low-income persons; and  
19 public safety efforts. The department shall have the following general  
20 functions and responsibilities:

21 (1) Provide advisory assistance to the governor, other state  
22 agencies, and the legislature on community and economic development  
23 matters and issues;

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

26 (3) Cooperate with the Washington state economic development  
27 commission, the legislature, and the governor in the development and  
28 implementation of strategic plans for the state's community and  
29 economic development efforts;

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

34 (5) Cooperate with and provide technical and financial assistance  
35 to local governments, businesses, and community-based organizations  
36 serving the communities of the state for the purpose of aiding and  
37 encouraging orderly, productive, and coordinated development of the

1 state, and, unless stipulated otherwise, give additional consideration  
2 to local communities and individuals with the greatest relative need  
3 and the fewest resources;

4 (6) Participate with other states or subdivisions thereof in  
5 interstate programs and assist cities, counties, municipal  
6 corporations, governmental conferences or councils, and regional  
7 planning commissions to participate with other states and provinces or  
8 their subdivisions;

9 (7) Hold public hearings and meetings to carry out the purposes of  
10 this chapter;

11 (8) Conduct research and analysis in furtherance of the state's  
12 economic and community development efforts including maintenance of  
13 current information on market, demographic, and economic trends as they  
14 affect different industrial sectors, geographic regions, and  
15 communities with special economic and social problems in the state; and

16 (9) Develop a schedule of fees for services where appropriate.

17 **Sec. 13.** RCW 43.330.060 and 1993 c 280 s 9 are each amended to  
18 read as follows:

19 (1) The department shall (a) assist in expanding the state's role  
20 as an international center of trade, culture, and finance~~((—The~~  
21 ~~department shall))~~); (b) promote and market the state's products and  
22 services both nationally and internationally; (c) work in close  
23 cooperation with other private and public international trade efforts  
24 ~~((and))~~; (d) act as a centralized location for the assimilation and  
25 distribution of trade information; and (e) establish and operate  
26 foreign offices promoting overseas trade and commerce.

27 (2) The department shall identify and work with Washington  
28 businesses that can use local, state, and federal assistance to  
29 increase domestic and foreign exports of goods and services.

30 (3) The department shall work generally with small businesses and  
31 other employers to facilitate resolution of siting, regulatory,  
32 expansion, and retention problems. This assistance shall include but  
33 not be limited to assisting in work force training and infrastructure  
34 needs, identifying and locating suitable business sites, and resolving  
35 problems with government licensing and regulatory requirements. The  
36 department shall identify gaps in needed services and develop steps to

1 address them including private sector support and purchase of these  
2 services.

3 (4) The department shall work to increase the availability of  
4 capital to small businesses by developing new and flexible investment  
5 tools (~~(and)~~); by assisting in targeting and improving the efficiency  
6 of existing investment mechanisms; and by assisting in the procurement  
7 of managerial and technical assistance necessary to attract potential  
8 investors.

9 (5) The department shall assist women and minority-owned businesses  
10 in overcoming barriers to (~~(increased investment and employment and~~  
11 ~~becoming full participants in Washington's traded sector economy))~~  
12 entrepreneurial success. The department shall contract with public and  
13 private agencies, institutions, and organizations to conduct  
14 entrepreneurial training courses for minority and women-owned  
15 businesses. The instruction shall be intensive, practical training  
16 courses in financing, marketing, managing, accounting, and  
17 recordkeeping for a small business, with an emphasis on federal, state,  
18 local, or private programs available to assist small businesses.  
19 Instruction shall be offered in major population centers throughout the  
20 state at times and locations that are convenient for minority and women  
21 small business owners.

22 **Sec. 14.** RCW 43.330.090 and 2003 c 153 s 2 are each amended to  
23 read as follows:

24 (1) The department shall work with private sector organizations,  
25 local governments, local associate development organizations, and  
26 higher education and training institutions to assist in the development  
27 of strategies to diversify the economy, facilitate technology transfer  
28 and diffusion, and increase value-added production by focusing on  
29 targeted sectors. The targeted sectors may include, but are not  
30 limited to, software, forest products, biotechnology, environmental  
31 industries, recycling markets and waste reduction, aerospace, food  
32 processing, tourism, film and video, microelectronics, new materials,  
33 robotics, and machine tools. The department shall, on a continuing  
34 basis, evaluate the potential return to the state from devoting  
35 additional resources to a targeted sector's approach to economic  
36 development and including additional sectors in its efforts. The

1 department shall use information gathered in each service delivery  
2 region in formulating its sectoral strategies and in designating new  
3 targeted sectors.

4 (2) The department shall pursue a coordinated program to expand the  
5 tourism industry throughout the state in cooperation with the public  
6 and private tourism development organizations. The department, in  
7 operating its tourism program, shall:

8 (a) Promote Washington as a tourism destination to national and  
9 international markets to include nature-based and wildlife viewing  
10 tourism;

11 (b) Provide information to businesses and local communities on  
12 tourism opportunities that could expand local revenues;

13 (c) Assist local communities to strengthen their tourism  
14 partnerships, including their relationships with state and local  
15 agencies;

16 (d) Provide leadership training and assistance to local communities  
17 to facilitate the development and implementation of local tourism  
18 plans;

19 (e) Coordinate the development of a statewide tourism and marketing  
20 plan. The department's tourism planning efforts shall be carried out  
21 in conjunction with public and private tourism development  
22 organizations including the department of fish and wildlife and other  
23 appropriate agencies. The plan shall specifically address mechanisms  
24 for: (i) Funding national and international marketing and nature-based  
25 tourism efforts; (ii) interagency cooperation; and (iii) integrating  
26 the state plan with local tourism plans.

27 (3) The department may, in carrying out its efforts to expand the  
28 tourism industry in the state:

29 (a) Solicit and receive gifts, grants, funds, fees, and endowments,  
30 in trust or otherwise, from tribal, local or other governmental  
31 entities, as well as private sources, and may expend the same or any  
32 income therefrom for tourism purposes. All revenue received for  
33 tourism purposes shall be deposited into the tourism development and  
34 promotion account created in RCW 43.330.094;

35 (b) Host conferences and strategic planning workshops relating to  
36 the promotion of nature-based and wildlife viewing tourism;

37 (c) Conduct or contract for tourism-related studies;

1 (d) Contract with individuals, businesses, or public entities to  
2 carry out its tourism-related activities under this section;

3 (e) Provide tourism-related organizations with marketing and other  
4 technical assistance;

5 (f) Evaluate and make recommendations on proposed tourism-related  
6 policies.

7 (4)(a) The department shall promote, market, and encourage growth  
8 in the production of films and videos, as well as television  
9 commercials within the state; to this end the department is directed to  
10 assist in the location of a film and video production studio within the  
11 state.

12 (b) The department may, in carrying out its efforts to encourage  
13 film and video production in the state, solicit and receive gifts,  
14 grants, funds, fees, and endowments, in trust or otherwise, from  
15 tribal, local, or other governmental entities, as well as private  
16 sources, and may expend the same or any income therefrom for the  
17 encouragement of film and video production. All revenue received for  
18 such purposes shall be deposited into the film and video promotion  
19 account created in RCW 43.330.092.

20 (5) In assisting in the development of a targeted sector, the  
21 department's activities may include, but are not limited to:

22 (a) Conducting focus group discussions, facilitating meetings, and  
23 conducting studies to identify members of the sector, appraise the  
24 current state of the sector, and identify issues of common concern  
25 within the sector;

26 (b) Supporting the formation of industry associations, publications  
27 of association directories, and related efforts to create or expand the  
28 activities or industry associations;

29 (c) Assisting in the formation of flexible networks by providing  
30 (i) agency employees or private sector consultants trained to act as  
31 flexible network brokers and (ii) funding for potential flexible  
32 network participants for the purpose of organizing or implementing a  
33 flexible network;

34 (d) Helping establish research consortia;

35 (e) Facilitating joint training and education programs;

36 (f) Promoting cooperative market development activities;

37 (g) Analyzing the need, feasibility, and cost of establishing  
38 product certification and testing facilities and services; and

1 (h) Providing for methods of electronic communication and  
2 information dissemination among firms and groups of firms to facilitate  
3 network activity.

4 **Sec. 15.** RCW 43.330.092 and 1997 c 220 s 222 are each amended to  
5 read as follows:

6 The film and video promotion account is created in the state  
7 treasury. All revenue received for film and video promotion purposes  
8 under RCW 43.330.090(4)(b) and all receipts from RCW 36.102.060(14)  
9 must be deposited into the account. Moneys in the account may be spent  
10 only after appropriation. Expenditures from the account may be used by  
11 the department of community, trade, and economic development only for  
12 the purposes of promotion of the film and video production industry in  
13 the state of Washington.

14 **Sec. 16.** RCW 47.36.330 and 1999 c 213 s 2 are each amended to read  
15 as follows:

16 (1) Not more than six business signs may be permitted on motorist  
17 information sign panels authorized by RCW 47.36.310 and 47.36.320.

18 (2) The maximum distance that eligible service facilities may be  
19 located on either side of an interchange or intersection to qualify for  
20 a business sign are as follows:

21 (a) On interstate highways, gas, food, or lodging activities shall  
22 be located within three miles. Camping or tourist-oriented activities  
23 shall be within five miles.

24 (b) On noninterstate highways, gas, food, lodging, recreation, or  
25 tourist-oriented activities shall be located within five miles.

26 (3)(a) If no eligible services are located within the distance  
27 limits prescribed in subsection (2) of this section, the distance  
28 limits shall be increased until an eligible service of a type being  
29 considered is reached, up to a maximum of fifteen miles.

30 (b) The department may erect and maintain signs on an alternate  
31 route that is longer than fifteen miles if it is safer and still  
32 provides reasonable and convenient travel to an eligible service.

33 (c) The department may erect and maintain signs on a route up to a  
34 maximum of twenty miles if it qualifies as an eligible service and is  
35 within a distressed area (~~under the criteria of chapter 43.165 RCW~~)  
36 as defined in RCW 43.168.020.



1       **Sec. 17.** RCW 43.31.522 and 1993 c 280 s 46 are each amended to  
2 read as follows:

3       Unless the context clearly requires otherwise, the definitions in  
4 this section apply throughout RCW 43.31.524 (~~and 43.31.526~~):

5       (1) "Department" means the department of community, trade, and  
6 economic development.

7       (2) (~~("Center" means the business assistance center established  
8 under RCW 43.31.083.~~

9       ~~(3))~~ "Director" means the director of community, trade, and  
10 economic development.

11       ~~((4))~~ (3) "Local nonprofit organization" means a local nonprofit  
12 organization organized to provide economic development or community  
13 development services, including but not limited to associate  
14 development organizations, economic development councils, and community  
15 development corporations.

16       NEW SECTION. **Sec. 18.** The following acts or parts of acts are  
17 each repealed:

18       (1) RCW 43.31.057 (Washington products--Expansion of market--  
19 Pamphlet) and 1993 c 280 s 39 & 1986 c 183 s 2;

20       (2) RCW 43.31.093 (Minority and women-owned small businesses--  
21 Entrepreneurial training courses) and 1995 c 399 s 71 & 1993 c 512 s 6;

22       (3) RCW 43.31.145 (Foreign offices--Promotion of overseas trade and  
23 commerce) and 1991 c 24 s 7 & 1985 c 466 s 18;

24       (4) RCW 43.31.390 (Information from environmental profile--Use in  
25 brochures and presentations--Availability to local economic development  
26 groups) and 1985 c 466 s 33 & 1984 c 94 s 4;

27       (5) RCW 43.31.403 (Investment opportunities office--Finding and  
28 purpose) and 1989 c 312 s 1;

29       (6) RCW 43.31.406 (Investment opportunities office--Definitions)  
30 and 1989 c 312 s 2;

31       (7) RCW 43.31.409 (Investment opportunities office--Created) and  
32 1993 c 280 s 42 & 1989 c 312 s 3;

33       (8) RCW 43.31.411 (Investment opportunities office--Duties) and  
34 1998 c 245 s 61, 1993 c 280 s 43, & 1989 c 312 s 4;

35       (9) RCW 43.31.414 (Investment opportunities office--Service fees)  
36 and 1989 c 312 s 5;

1 (10) RCW 43.31.417 (Investment opportunities office--Contracting  
2 authority) and 1989 c 312 s 6;  
3 (11) RCW 43.31.526 (Marketplace program--Contracts to foster  
4 linkages--Department duties) and 1998 c 245 s 62, 1994 c 47 s 2, 1993  
5 c 280 s 48, 1990 c 57 s 4, & 1989 c 417 s 4;  
6 (12) RCW 43.63A.240 (Senior environmental corps--Finding) and 1992  
7 c 63 s 1;  
8 (13) RCW 43.63A.245 (Senior environmental corps--Definitions) and  
9 1999 c 151 s 1201, 1993 c 280 s 64, & 1992 c 63 s 2;  
10 (14) RCW 43.63A.247 (Senior environmental corps--Created) and 1994  
11 c 264 s 25, 1993 c 280 s 65, & 1992 c 63 s 3;  
12 (15) RCW 43.63A.249 (Senior environmental corps--Goals) and 1992 c  
13 63 s 4;  
14 (16) RCW 43.63A.265 (Senior environmental corps--Department  
15 duties--Volunteers may not displace currently employed workers) and  
16 1992 c 63 s 6;  
17 (17) RCW 43.63A.270 (Senior environmental corps--Volunteer activity  
18 to be governed by agreement) and 1992 c 63 s 7;  
19 (18) RCW 43.63A.715 (Rural enterprise zones--Establishment--  
20 Applications--Authority of zones) and 1997 c 366 s 9;  
21 (19) RCW 43.160.115 (Cooperation with Washington state development  
22 loan fund committee required--Transfer of funds) and 1995 c 399 s 87,  
23 1987 c 422 s 7, 1987 c 195 s 12, & 1985 c 164 s 14;  
24 (20) RCW 43.160.180 (Private activity bond subcommittee) and 1995  
25 c 399 s 88, 1987 c 422 s 9, & 1985 c 446 s 15;  
26 (21) RCW 43.165.010 (Definitions) and 1996 c 290 s 2, 1995 c 399 s  
27 91, 1987 c 461 s 1, & 1985 c 229 s 1;  
28 (22) RCW 43.168.031 (State development loan fund committee--  
29 Terminated June 30, 1994--Powers and duties transferred) and 1995 c 399  
30 s 92 & 1988 c 186 s 7;  
31 (23) RCW 43.170.010 (Legislative findings) and 1982 c 44 s 1;  
32 (24) RCW 43.170.020 (Definitions) and 1995 c 399 s 93, 1985 c 466  
33 s 60, & 1982 c 44 s 2;  
34 (25) RCW 43.170.030 (Small business innovators' opportunity  
35 program--Pilot project established--Composition and structure--User  
36 fee) and 1995 c 399 s 94, 1985 c 466 s 61, & 1982 c 44 s 3;  
37 (26) RCW 43.170.040 (Chairman of program) and 1982 c 44 s 4;  
38 (27) RCW 43.170.060 (Eligibility) and 1982 c 44 s 6;

1 (28) RCW 43.170.070 (Referral to investment opportunities office)  
2 and 1995 c 399 s 95 & 1989 c 312 s 9;  
3 (29) RCW 43.172.005 (Intent) and 1993 c 512 s 1;  
4 (30) RCW 43.172.010 (Definitions) and 1993 c 512 s 2;  
5 (31) RCW 43.172.011 (Definitions--Bonding program) and 1995 c 399  
6 s 96 & 1993 c 512 s 16;  
7 (32) RCW 43.172.020 (Small business bonding assistance program--  
8 Implementation--Rules) and 1995 c 399 s 97 & 1993 c 512 s 17;  
9 (33) RCW 43.172.030 (Assistance from other agencies) and 1993 c 512  
10 s 18;  
11 (34) RCW 43.172.040 (Entrepreneurial training course) and 1993 c  
12 512 s 19;  
13 (35) RCW 43.172.050 (Entrepreneurial accreditation of small  
14 contracting businesses) and 1993 c 512 s 20;  
15 (36) RCW 43.172.060 (Professional services assistance--One-time  
16 grants) and 1993 c 512 s 21;  
17 (37) RCW 43.172.070 (Grant administration) and 1993 c 512 s 22;  
18 (38) RCW 43.172.080 (Bond guarantees--Generally) and 1993 c 512 s  
19 23;  
20 (39) RCW 43.172.090 (Bond guarantees--Approval process) and 1993 c  
21 512 s 24;  
22 (40) RCW 43.172.100 (Small business bonding assistance program  
23 fund--Expenditures) and 1993 c 512 s 25;  
24 (41) RCW 43.172.110 (Small business bonding assistance program  
25 fund--Support) and 1993 c 512 s 26;  
26 (42) RCW 43.172.120 (Gifts, grants, endowments) and 1993 c 512 s  
27 27;  
28 (43) RCW 43.172.900 (Short title--1993 c 512) and 1993 c 512 s 38;  
29 (44) RCW 43.172.901 (Part headings and section captions--1993 c  
30 512) and 1993 c 512 s 40;  
31 (45) RCW 43.172.902 (Severability--1993 c 512) and 1993 c 512 s 41;  
32 (46) RCW 43.172.903 (Effective date--1993 c 512) and 1993 c 512 s  
33 42;  
34 (47) RCW 43.330.180 (Grant program for business recruitment  
35 efforts) and 1999 c 108 s 2;  
36 (48) RCW 43.21A.670 (Senior environmental corps--Department powers  
37 and duties) and 1992 c 63 s 9;

1 (49) RCW 43.23.240 (Senior environmental corps--Department powers  
2 and duties) and 1992 c 63 s 8;  
3 (50) RCW 43.30.470 (Senior environmental corps) and 2003 c 334 s  
4 124 & 1992 c 63 s 10;  
5 (51) RCW 43.70.450 (Senior environmental corps--Department powers  
6 and duties) and 1992 c 63 s 12;  
7 (52) RCW 77.12.750 (Senior environmental corps--Department powers  
8 and duties) and 1993 sp.s. c 2 s 72 & 1992 c 63 s 13;  
9 (53) RCW 79A.05.350 (Senior environmental corps--Commission powers  
10 and duties) and 1992 c 63 s 14; and  
11 (54) RCW 90.71.090 (Senior environmental corps--Authority powers  
12 and duties) and 1992 c 63 s 15.

13 NEW SECTION. **Sec. 19.** This act does not affect any existing right  
14 acquired or liability or obligation incurred under the sections amended  
15 or repealed in this act or under any rule or order adopted under those  
16 sections, nor does it affect any proceeding instituted under those  
17 sections.

18 NEW SECTION. **Sec. 20.** This act is necessary for the immediate  
19 preservation of the public peace, health, or safety, or support of the  
20 state government and its existing public institutions, and takes effect  
21 July 1, 2005.

Passed by the Senate March 9, 2005.  
Passed by the House April 6, 2005.  
Approved by the Governor April 22, 2005.  
Filed in Office of Secretary of State April 22, 2005.