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## HOUSE BILL 1806

State of Washington 68th Legislature 2023 Regular Session

By Representatives Rule, Chapman, and Timmons

Read first time 02/09/23. Referred to Committee on Innovation, Community & Economic Development, & Veterans.

- AN ACT Relating to an exclave community small business relief
- 2 program; and adding a new section to chapter 43.330 RCW.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 43.330 5 RCW to read as follows:
  - (1) Subject to the availability of amounts appropriated for this specific purpose, the department must develop and implement an exclave community small business relief program for the purpose of providing resources to exclave communities that have sustained economic loss due to the closure of the international border between the United States and Canada.
- 12 (2) Under the program, the department may provide grants to
  13 eligible businesses. Grant funds may be used for payroll, utilities
  14 and rent, marketing and advertising, and other operations and
  15 business expenses. Grant funds may not be used for expenses incurred
  16 outside the exclave community.
- 17 (3) In order to be eligible to apply for a grant under this section, a business must provide documentation of:
- 19 (a) The business's location in an exclave community and proof 20 that the business does not operate more than 10 locations; and

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(b) A good faith certification of need, including a certification that the border closure either reduced gross receipts of the business by at least 25 percent or restricted the ability of customers to access the location of the business.

- (4) The department must make assistance available for an eligible business within three months of receiving an application.
- (5) In the event that the amounts appropriated for the exclave community small business relief program are not sufficient to provide full grants to all eligible applicants that apply by October 1, 2023, the department shall provide grants to all eligible applicants that submit applications on either a prorated basis, by establishing a maximum grant amount that ensures that all smaller eligible applicants receive full awards, or by setting an award threshold beneath which the agency will make full grants and above which grants will be prorated.
- (6) The department must coordinate with local economic development entities in conducting outreach to small businesses in order to increase awareness and understanding of the exclave community small business relief program.
- (7) For purposes of this section "exclave community" means a community in the United States within 75 miles of the Canadian border that is only accessible by land via Canada.
- (8) The department may make rules to implement this section.

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