
SUBSTITUTE SENATE BILL 6218

State of Washington

53rd Legislature

1994 Regular Session

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

Read first time 01/27/94.

1 AN ACT Relating to self-employment for low-income individuals;
2 adding a new section to chapter 43.330 RCW; adding new sections to
3 chapter 43.131 RCW; and creating a new section.

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

5 NEW SECTION. **Sec. 1.** The legislature finds that:

6 (1) Self-employment is one avenue for low-income individuals to
7 achieve economic self-sufficiency; and

8 (2) Insufficient opportunity currently exists for most low-income
9 individuals to develop the business skills or receive the credit
10 necessary to start or expand a business.

11 The legislature declares that there is substantial public purpose
12 in providing training and capital to promote the self-employment of
13 low-income individuals in Washington.

14 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.330 RCW
15 to read as follows:

16 (1) The department shall implement a self-employment assistance
17 program. The program shall provide grants to local development
18 organizations, eligible community action agencies, and local

1 governments to use for self-employment assistance for low-income
2 individuals. The assistance shall include entrepreneurial training,
3 small business mentoring, and a revolving loan fund. The department
4 may use loan payment proceeds from the development loan fund, federal
5 community development block grant funds, and federal community services
6 block grant funds to make the grants to local development
7 organizations, and may use such other funds as it deems appropriate.
8 No grant shall be greater than seventy-five thousand dollars. The
9 grants are to be distributed through a competitive application process
10 to be administered by the department in consultation with an advisory
11 committee.

12 (2) Any organization receiving a grant must: (a) Demonstrate the
13 need for a low-income self-employment project in its community; (b)
14 demonstrate the capacity of the organization to administer the project;
15 and (c) describe the project's loan procedure, entrepreneurial
16 training, small business mentoring, and other support and assistance.
17 An organization receiving a grant must devote a minimum of seventy-five
18 percent of the grant amount to the revolving loan fund and may provide
19 loans of no greater than five thousand dollars.

20 The department shall require grant recipients to report annually on
21 the number of loans made, the number of low-income individuals trained
22 using grant funds, and other measures the department determines are
23 necessary to measure the effectiveness of the program.

24 The department shall report by December 1 of every odd-numbered
25 year to the appropriate legislative committees on the effectiveness of
26 the self-employment assistance program. The report shall include any
27 recommendations regarding the program made by grant recipients or the
28 department.

29 NEW SECTION. **Sec. 3.** A new section is added to chapter 43.131 RCW
30 to read as follows:

31 The self-employment assistance program shall be terminated on June
32 30, 1999.

33 NEW SECTION. **Sec. 4.** A new section is added to chapter 43.131 RCW
34 to read as follows:

35 The following acts or parts of acts, as now existing or hereafter
36 amended, are repealed effective June 30, 2000:

37 (1) 1994 c . . . s . . . (section 1 of this act); and

1 (2) RCW 43.330.--- and 1994 c . . . s . . . (section 2 of this
2 act).

--- END ---