

February 3, 1998

**BILL ANALYSIS**

TO: Members, Committee on Trade and Economic Development  
FROM: Kenny Pittman, Research Analyst (786-7392)  
RE: **HB 2944 - Creating the department of community  
development and the  
department of trade and economic development.**

---

**BACKGROUND:**

The Department of Community, Trade, and Economic Development was created by merging the Department of Community Development and Department of Trade and Economic Development in 1993. The Department of Community, Trade, and Economic Development is responsible for assisting in community and economic development in the state; providing technical and financial assistance to local governments, businesses, and community-based organizations; soliciting private and federal grants for economic and community development programs; and conducting the necessary research and analysis to support economic and community development efforts.

The key service areas of the department are: (1) local development assistance; (2) trade and economic sectors, that include tourism, film and video, business development and forest products; (3) community services that support local efforts to develop self-reliant individuals and families through prevention, intervention, technical assistance and advocacy programs; (4) housing and housing-related services; (5) growth management; (6) archaeology and historic preservation; and (7) energy policy.

**SUMMARY:**

Effective July 1, 1998, the Department of Community, Trade, and Economic Development is renamed the Department of Community Development and the Department of Trade and Economic Development is created.

On or before June 15, 1998, the Director of the Department of Community, Trade, and Economic Development must submit a plan to the Governor for transferring the department's trade, business

development, tourism, and economic development responsibilities and authorities to the newly created Department of Trade and Economic Development. The plan must include strategies for transferring responsibilities and authorities to the Department of Trade and Economic Development; division of staff and equipment; and recommendations for statutory changes for a more appropriate division of responsibilities and authorities.

The Department of Community, Trade, and Economic Development's transfer plan must be developed with input from an advisory committee that consists of department staff and representatives of groups or organizations using the services and programs of the department, and any other organizations the director determines should have input into the plan. The Director of the Department of Community, Trade, and Economic Development must implement the plan as approved by the Governor.

The Department of Community Development is responsible for promoting community development within the state by assisting communities to increase their economic vitality, while maintaining a healthy environment. The department's community development efforts include local planning to manage growth; the promotion and provision of affordable housing and housing-related services; providing public infrastructure, providing community services and advocacy for low-income persons; and public safety efforts.

The Department of Trade and Economic Development is responsible for working with local communities and businesses to respond to economic problems and challenges. The department's trade and economic development efforts include promoting partnerships between the public/private sectors and between state/local officials to encourage appropriate economic growth; promoting local economic development by supporting local strategic development plans; assisting businesses to start up, maintain, or expand their operations; promoting international trade and trade opportunities of Washington businesses; and expanding employment opportunities.

All references to the Department of Community, Trade, and Economic Development are changed to either the Department of Community Development or the Department of Trade and Economic Development.

Appropriation: \$2 million from the general fund to the Department of Trade and Economic Development.

Fiscal Note: Requested January 28, 1998.

Effective Date: Sections 1 and 2 take effect immediately. Sections 101 through 129, 201 through 227, 301 through 349, 401 through 411 and Section 501 take effect July 1, 1998.