

# HOUSE BILL REPORT

## SSB 5909

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As Reported By House Committee On:  
Trade, Economic Development & Housing

**Title:** An act relating to the diversification of the economies of defense-dependent communities.

**Brief Description:** Requiring a study of the economic diversification of Kitsap county.

**Sponsors:** Senate Committee on Trade, Technology & Economic Development (originally sponsored by Senators Sheldon, Oke and Owen.)

**Brief History:**

Reported by House Committee on:  
Trade, Economic Development & Housing, March 31, 1993,  
DPA.

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### HOUSE COMMITTEE ON TRADE, ECONOMIC DEVELOPMENT & HOUSING

**Majority Report:** Do pass as amended. Signed by 12 members: Representatives Wineberry, Chair; Shin, Vice Chair; Forner, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; Campbell; Casada; Conway; Quall; Schoesler; Sheldon; Springer; and Valle.

**Staff:** Charlie Gavigan (786-7340).

**Background:** The Community Diversification Program was established in 1990 in the Department of Community Development. The purpose of the program is to assist military-dependent communities, businesses, and workers in preparing for long-term reductions in federal defense spending. An advisory committee guides program policy, direction, and activities.

The program has focused on assisting communities susceptible to base closures or reductions. Businesses have been assisted through general technical assistance and development of a flexible manufacturing network.

**Summary of Amended Bill:** The state plan developed by the Department of Community Development's Community Diversification Program must include methods to utilize the communities' unique economic assets and to develop specific

strategies for each community or county to the extent practicable.

**Amended Bill Compared to Substitute Bill:** The \$49,000 appropriation is removed and a null and void clause is added.

**Fiscal Note:** Available.

**Appropriation:** Removed.

**Effective Date of Amended Bill:** The bill contains an emergency clause and takes effect immediately. However, the bill is null and void unless funded in the budget.

**Testimony For:** The Community Diversification Program can assist communities most heavily dependent on defense related spending by providing methods for communities to utilize their unique economic assets and by developing more community-specific strategies in its state plan.

**Testimony Against:** None.

**Witnesses:** Senator Betti Sheldon, prime sponsor (supports); Earl Smith, Kitsap County Economic Development Council (supports); Warren Olson, Silverdale Chamber of Commerce (supports); Andrew Huff, Kitsap County Commissioners Office (supports); and Louis Mentor, Mayor of Bremerton (supports).