

---

HOUSE BILL 1662

---

State of Washington

53rd Legislature

1993 Regular Session

By Representatives Wineberry, Shin, Forner, Sheldon, Wang, Riley, Ogden, Silver, Valle, Jones, Holm, Basich, Rayburn, Jacobsen, Kremen, Cooke and J. Kohl; by request of Department of Trade and Economic Development

Read first time 02/05/93. Referred to Committee on Trade, Economic Development & Housing.

1 AN ACT Relating to the community economic revitalization board;  
2 amending RCW 43.160.020, 43.160.060, 43.160.076, 43.160.077,  
3 43.160.200, and 43.160.900; amending 1991 c 314 s 32 (uncodified);  
4 amending 1991 c 314 s 34 (uncodified); and reenacting and amending RCW  
5 42.17.310.

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

7 **Sec. 1.** RCW 43.160.020 and 1992 c 21 s 3 are each amended to read  
8 as follows:

9 Unless the context clearly requires otherwise, the definitions in  
10 this section apply throughout this chapter.

11 (1) "Board" means the community economic revitalization board.

12 (2) "Bond" means any bond, note, debenture, interim certificate, or  
13 other evidence of financial indebtedness issued by the board pursuant  
14 to this chapter.

15 (3) "Department" means the department of trade and economic  
16 development or its successor with respect to the powers granted by this  
17 chapter.

18 (4) "Financial institution" means any bank, savings and loan  
19 association, credit union, development credit corporation, insurance

1 company, investment company, trust company, savings institution, or  
2 other financial institution approved by the board and maintaining an  
3 office in the state.

4 (5) "Industrial development facilities" means "industrial  
5 development facilities" as defined in RCW 39.84.020.

6 (6) "Industrial development revenue bonds" means tax-exempt revenue  
7 bonds used to fund industrial development facilities.

8 (7) "Local government" or "political subdivision" means any port  
9 district, county, city, (~~(or)~~) town, or special utility district.

10 (8) "Sponsor" means any of the following entities which customarily  
11 provide service or otherwise aid in industrial or other financing and  
12 are approved as a sponsor by the board: A bank, trust company, savings  
13 bank, investment bank, national banking association, savings and loan  
14 association, building and loan association, credit union, insurance  
15 company, or any other financial institution, governmental agency, or  
16 holding company of any entity specified in this subsection.

17 (9) "Umbrella bonds" means industrial development revenue bonds  
18 from which the proceeds are loaned, transferred, or otherwise made  
19 available to two or more users under this chapter.

20 (10) "User" means one or more persons acting as lessee, purchaser,  
21 mortgagor, or borrower under a financing document and receiving or  
22 applying to receive revenues from bonds issued under this chapter.

23 (11) "Timber impact area" means:

24 (a) A county having a population of less than five hundred  
25 thousand, or a city or town located within a county having a population  
26 of less than five hundred thousand, and meeting two of the following  
27 three criteria, as determined by the employment security department,  
28 for the most recent year such data is available: (i) A lumber and wood  
29 products employment location quotient at or above the state average;  
30 (ii) projected or actual direct lumber and wood products job losses of  
31 one hundred positions or more, except counties having a population  
32 greater than two hundred thousand but less than five hundred thousand  
33 must have direct lumber and wood products job losses of one thousand  
34 positions or more; or (iii) an annual unemployment rate twenty percent  
35 or more above the state average; or

36 (b) Additional communities as the economic recovery coordinating  
37 board, established in RCW 43.31.631, designates based on a finding by  
38 the board that each designated community is socially and economically

1 integrated with areas that meet the definition of a timber impact area  
2 under (a) of this subsection.

3 **Sec. 2.** RCW 43.160.060 and 1990 1st ex.s. c 17 s 73 are each  
4 amended to read as follows:

5 The board is authorized to make direct loans to political  
6 subdivisions of the state for the purposes of assisting the political  
7 subdivisions in financing the cost of public facilities, including  
8 development of land and improvements for public facilities, as well as  
9 the ((~~acquisition~~)) construction, rehabilitation, alteration,  
10 expansion, or improvement of the facilities. A grant may also be  
11 authorized for purposes designated in this chapter, but only when, and  
12 to the extent that, a loan is not reasonably possible, given the  
13 limited resources of the political subdivision.

14 Application for funds shall be made in the form and manner as the  
15 board may prescribe. In making grants or loans the board shall conform  
16 to the following requirements:

17 (1) The board shall not make a grant or loan:

18 (a) For a project the primary purpose of which is to facilitate or  
19 promote a retail shopping development or expansion.

20 (b) For any project that evidence exists would result in a  
21 development or expansion that would displace existing jobs in any other  
22 community in the state.

23 (c) For the acquisition of real property, including buildings and  
24 other fixtures which are a part of real property.

25 (2) The board shall only make grants or loans:

26 (a) For those projects which would result in specific private  
27 developments or expansions (i) in manufacturing, production, food  
28 processing, assembly, warehousing, and industrial distribution; (ii)  
29 for processing recyclable materials or for facilities that support  
30 recycling, including processes not currently provided in the state,  
31 including but not limited to, de-inking facilities, mixed waste paper,  
32 plastics, yard waste, and problem-waste processing; (iii) for  
33 manufacturing facilities that rely significantly on recyclable  
34 materials, including but not limited to waste tires and mixed waste  
35 paper; (iv) which support the relocation of businesses from  
36 nondistressed urban areas to distressed rural areas; or (v) which  
37 substantially support the trading of goods or services outside of the  
38 state's borders.

1 (b) For projects which it finds will improve the opportunities for  
2 the successful maintenance, establishment, or expansion of industrial  
3 or commercial plants or will otherwise assist in the creation or  
4 retention of long-term economic opportunities.

5 (c) When the application includes convincing evidence that a  
6 specific private development or expansion is ready to occur and will  
7 occur only if the grant or loan is made.

8 (3) The board shall prioritize each proposed project according to  
9 the relative benefits provided to the community by the jobs the project  
10 would create, not just the total number of jobs it would create after  
11 the project is completed and according to the unemployment rate in the  
12 area in which the jobs would be located. As long as there is more  
13 demand for loans or grants than there are funds available for loans or  
14 grants, the board is instructed to fund projects in order of their  
15 priority.

16 (4) A responsible official of the political subdivision shall be  
17 present during board deliberations and provide information that the  
18 board requests.

19 Before any loan or grant application is approved, the political  
20 subdivision seeking the loan or grant must demonstrate to the community  
21 economic revitalization board that no other timely source of funding is  
22 available to it at costs reasonably similar to financing available from  
23 the community economic revitalization board.

24 **Sec. 3.** RCW 43.160.076 and 1991 c 314 s 24 are each amended to  
25 read as follows:

26 (1) Except as authorized to the contrary under subsection (2) of  
27 this section, from all funds available to the board for loans and  
28 grants in a biennium, the board shall spend at least fifty percent for  
29 grants and loans for projects in distressed counties or timber impact  
30 areas. For purposes of this section, the term "distressed counties"  
31 includes any county, in which the average level of unemployment for the  
32 three years before the year in which an application for a loan or grant  
33 is filed, exceeds the average state employment for those years by  
34 twenty percent.

35 (2) If at any time during the last six months of a biennium the  
36 board finds that the actual and anticipated applications for qualified  
37 projects in distressed counties or timber impact areas are clearly  
38 insufficient to use up the fifty percent allocation, then the board

1 shall estimate the amount of the insufficiency and during the remainder  
2 of the biennium may use that amount of the allocation for loans and  
3 grants for projects not located in distressed counties or timber impact  
4 areas.

5 **Sec. 4.** RCW 43.160.077 and 1989 c 431 s 63 are each amended to  
6 read as follows:

7 (1) ~~((Before))~~ When the board ~~((consideration of))~~ receives an  
8 application from a political subdivision that includes a request for  
9 assistance in financing the cost of public facilities to encourage the  
10 development of a private facility to process recyclable materials, a  
11 copy of the application shall be ~~((forwarded))~~ sent by the board to the  
12 department of ecology.

13 ~~((The department of ecology shall submit a recommendation on  
14 all applications related to processing recyclable materials to the  
15 board for their consideration.~~

16 ~~((3) Upon receiving an application for assistance in financing the  
17 cost of public facilities to encourage the development of a private  
18 facility to process recyclable materials from the board, the department  
19 of ecology shall, within thirty days, determine whether or not the  
20 proposed assistance:~~

21 ~~((a) Has a significant impact on the residential and commercial  
22 waste stream;~~

23 ~~((b) Results in a product that has a ready market;~~

24 ~~((c) Does not jeopardize any other planned market development  
25 projects; and~~

26 ~~((d) Results in a product that would otherwise be purchased out-of-  
27 state.~~

28 ~~((4) Upon completion of its determination of the factors contained  
29 in subsection (3) of this section and any other factors it deems  
30 pertinent, the department of ecology shall forward its recommended  
31 approval, as submitted or amended, or recommended disapproval of the  
32 proposed improvements to the board, along with any recommendation it  
33 may wish to make concerning the desirability and feasibility of the  
34 proposed market development. If the department of ecology recommends  
35 disapproval of any proposed project, it shall specify its reasons for  
36 recommending disapproval.~~

37 ~~((5))~~ The board shall notify the department of ecology of its  
38 decision regarding any application made under this section.

1       **Sec. 5.** RCW 43.160.200 and 1991 c 314 s 23 are each amended to  
2 read as follows:

3       (1) The economic development account is created within the public  
4 facilities construction loan revolving fund under RCW 43.160.080.  
5 Moneys in the account may be spent only after appropriation.  
6 Expenditures from the account may be used only for the purposes of RCW  
7 43.160.010(4) and this section. The account is subject to allotment  
8 procedures under chapter 43.88 RCW.

9       (2) Applications under this section for assistance from the  
10 economic development account are subject to all of the applicable  
11 criteria set forth under this chapter, as well as procedures and  
12 criteria established by the board, except as otherwise provided.

13       (3) Eligible applicants under this section are limited to political  
14 subdivisions of the state in timber impact areas that demonstrate, to  
15 the satisfaction of the board, the local economy's dependence on the  
16 forest products industry.

17       (4) Applicants must demonstrate that their request is part of an  
18 economic development plan consistent with applicable state planning  
19 requirements. Applicants must demonstrate that tourism projects have  
20 been approved by the local government (~~and are part of a regional~~  
21 ~~tourism plan approved by the local and regional tourism~~  
22 ~~organizations)). Industrial projects must be approved by the local~~  
23 government and the associate development organization.

24       (5) Publicly owned projects may be financed under this section upon  
25 proof by the applicant that the public project is a necessary component  
26 of, or constitutes in whole, a tourism project.

27       (6) Applications must demonstrate local match and participation.  
28 Such match may include: Land donation, other public or private funds  
29 or both, or other means of local commitment to the project.

30       (7) Board financing for feasibility studies shall not exceed  
31 twenty-five thousand dollars per study. Board funds for feasibility  
32 studies may be provided as a grant and require a dollar for dollar  
33 match with up to one-half in-kind match allowed.

34       (8) Board financing for tourism projects shall not exceed two  
35 hundred fifty thousand dollars. Other public facility projects under  
36 this section shall not exceed five hundred thousand dollars. Loans  
37 with flexible terms and conditions to meet the needs of the applicants  
38 shall be provided. Grants may also be authorized, but only when, and

1 to the extent that, a loan is not reasonably possible, given the  
2 limited resources of the political subdivision.

3 (9) The board shall develop guidelines for allowable local match  
4 and feasibility studies.

5 (10) Applications under this section need not demonstrate evidence  
6 that specific private development or expansion is ready to occur or  
7 will occur if funds are provided.

8 (11) The board shall establish guidelines for making grants and  
9 loans under this section to ensure that the requirements of this  
10 chapter are complied with. The guidelines shall include:

11 (a) A process to equitably compare and evaluate applications from  
12 competing communities.

13 (b) Criteria to ensure that approved projects will have a high  
14 probability of success and are likely to provide long-term economic  
15 benefits to the community. The criteria shall include: (i) A minimum  
16 amount of local participation, determined by the board per application,  
17 to verify community support for the project; (ii) an analysis that  
18 establishes the project is feasible using standard economic principles;  
19 and (iii) an explanation from the applicant regarding how the project  
20 is consistent with the communities' economic strategy and goals.

21 (c) A method of evaluating the impact of the loans or grants on the  
22 economy of the community and whether the loans or grants achieved their  
23 purpose.

24 **Sec. 6.** RCW 43.160.900 and 1987 c 422 s 10 are each amended to  
25 read as follows:

26 The community economic revitalization board and its powers and  
27 duties shall be terminated on June 30, (~~(1993)~~) 1999, and shall be  
28 subject to the procedures required by chapter 43.131 RCW. This chapter  
29 expires June 30, (~~(1994)~~) 1999. Any remaining duties of the community  
30 economic revitalization board after June 30, (~~(1993)~~) 1999, regarding  
31 repayment of loans made by the community economic revitalization board  
32 are transferred to the department of revenue on June 30, (~~(1993)~~) 1999.

33 **Sec. 7.** RCW 42.17.310 and 1992 c 139 s 5 and 1992 c 71 s 12 are  
34 each reenacted and amended to read as follows:

35 (1) The following are exempt from public inspection and copying:

1 (a) Personal information in any files maintained for students in  
2 public schools, patients or clients of public institutions or public  
3 health agencies, or welfare recipients.

4 (b) Personal information in files maintained for employees,  
5 appointees, or elected officials of any public agency to the extent  
6 that disclosure would violate their right to privacy.

7 (c) Information required of any taxpayer in connection with the  
8 assessment or collection of any tax if the disclosure of the  
9 information to other persons would (i) be prohibited to such persons by  
10 RCW 82.32.330 or (ii) violate the taxpayer's right to privacy or result  
11 in unfair competitive disadvantage to the taxpayer.

12 (d) Specific intelligence information and specific investigative  
13 records compiled by investigative, law enforcement, and penology  
14 agencies, and state agencies vested with the responsibility to  
15 discipline members of any profession, the nondisclosure of which is  
16 essential to effective law enforcement or for the protection of any  
17 person's right to privacy.

18 (e) Information revealing the identity of persons who are witnesses  
19 to or victims of crime or who file complaints with investigative, law  
20 enforcement, or penology agencies, other than the public disclosure  
21 commission, if disclosure would endanger any person's life, physical  
22 safety, or property. If at the time a complaint is filed the  
23 complainant, victim or witness indicates a desire for disclosure or  
24 nondisclosure, such desire shall govern. However, all complaints filed  
25 with the public disclosure commission about any elected official or  
26 candidate for public office must be made in writing and signed by the  
27 complainant under oath.

28 (f) Test questions, scoring keys, and other examination data used  
29 to administer a license, employment, or academic examination.

30 (g) Except as provided by chapter 8.26 RCW, the contents of real  
31 estate appraisals, made for or by any agency relative to the  
32 acquisition or sale of property, until the project or prospective sale  
33 is abandoned or until such time as all of the property has been  
34 acquired or the property to which the sale appraisal relates is sold,  
35 but in no event shall disclosure be denied for more than three years  
36 after the appraisal.

37 (h) Valuable formulae, designs, drawings, and research data  
38 obtained by any agency within five years of the request for disclosure  
39 when disclosure would produce private gain and public loss.



1 (i) Preliminary drafts, notes, recommendations, and intra-agency  
2 memorandums in which opinions are expressed or policies formulated or  
3 recommended except that a specific record shall not be exempt when  
4 publicly cited by an agency in connection with any agency action.

5 (j) Records which are relevant to a controversy to which an agency  
6 is a party but which records would not be available to another party  
7 under the rules of pretrial discovery for causes pending in the  
8 superior courts.

9 (k) Records, maps, or other information identifying the location of  
10 archaeological sites in order to avoid the looting or depredation of  
11 such sites.

12 (l) Any library record, the primary purpose of which is to maintain  
13 control of library materials, or to gain access to information, which  
14 discloses or could be used to disclose the identity of a library user.

15 (m) Financial information supplied by or on behalf of a person,  
16 firm, or corporation for the purpose of qualifying to submit a bid or  
17 proposal for ~~((a))~~ (i) a ferry system construction or repair contract  
18 as required by RCW 47.60.680 through 47.60.750 or ~~((b))~~ (ii) highway  
19 construction or improvement as required by RCW 47.28.070.

20 (n) Railroad company contracts filed prior to July 28, 1991, with  
21 the utilities and transportation commission under \*RCW 81.34.070,  
22 except that the summaries of the contracts are open to public  
23 inspection and copying as otherwise provided by this chapter.

24 (o) Financial and commercial information and records supplied by  
25 private persons pertaining to export services provided pursuant to  
26 chapter 43.163 RCW and chapter 53.31 RCW.

27 (p) Financial disclosures filed by private vocational schools under  
28 chapter 28C.10 RCW.

29 (q) Records filed with the utilities and transportation commission  
30 or attorney general under RCW 80.04.095 that a court has determined are  
31 confidential under RCW 80.04.095.

32 (r) Financial and commercial information and records supplied by  
33 businesses during application for loans or program services provided by  
34 chapter 43.163 RCW and chapters 43.31, 43.63A, 43.160, and 43.168 RCW.

35 (s) Membership lists or lists of members or owners of interests of  
36 units in timeshare projects, subdivisions, camping resorts,  
37 condominiums, land developments, or common-interest communities  
38 affiliated with such projects, regulated by the department of  
39 licensing, in the files or possession of the department.

1 (t) All applications for public employment, including the names of  
2 applicants, resumes, and other related materials submitted with respect  
3 to an applicant.

4 (u) The residential addresses and residential telephone numbers of  
5 employees or volunteers of a public agency which are held by the agency  
6 in personnel records, employment or volunteer rosters, or mailing lists  
7 of employees or volunteers.

8 (v) The residential addresses and residential telephone numbers of  
9 the customers of a public utility contained in the records or lists  
10 held by the public utility of which they are customers.

11 (w) Information obtained by the board of pharmacy as provided in  
12 RCW 69.45.090.

13 (x) Information obtained by the board of pharmacy or the department  
14 of health and its representatives as provided in RCW 69.41.044,  
15 69.41.280, and 18.64.420.

16 (y) Financial information, business plans, examination reports, and  
17 any information produced or obtained in evaluating or examining a  
18 business and industrial development corporation organized or seeking  
19 certification under chapter 31.24 RCW.

20 (z) Financial and commercial information supplied to the state  
21 investment board by any person when the information relates to the  
22 investment of public trust or retirement funds and when disclosure  
23 would result in loss to such funds or in private loss to the providers  
24 of this information.

25 (aa) Financial and valuable trade information under RCW 51.36.120.

26 (bb) Client records maintained by an agency that is a domestic  
27 violence program as defined in RCW 70.123.020 or a rape crisis center  
28 as defined in RCW 70.125.030.

29 (cc) Information that identifies a person who, while an agency  
30 employee: (i) Seeks advice, under an informal process established by  
31 the employing agency, in order to ascertain his or her rights in  
32 connection with a possible unfair practice under chapter 49.60 RCW  
33 against the person; and (ii) requests his or her identity or any  
34 identifying information not be disclosed.

35 (dd) Business related information protected from public inspection  
36 and copying under RCW 15.86.110.

37 (2) Except for information described in subsection (1)(c)(i) of  
38 this section and confidential income data exempted from public  
39 inspection pursuant to RCW 84.40.020, the exemptions of this section

1 are inapplicable to the extent that information, the disclosure of  
2 which would violate personal privacy or vital governmental interests,  
3 can be deleted from the specific records sought. No exemption may be  
4 construed to permit the nondisclosure of statistical information not  
5 descriptive of any readily identifiable person or persons.

6 (3) Inspection or copying of any specific records exempt under the  
7 provisions of this section may be permitted if the superior court in  
8 the county in which the record is maintained finds, after a hearing  
9 with notice thereof to every person in interest and the agency, that  
10 the exemption of such records is clearly unnecessary to protect any  
11 individual's right of privacy or any vital governmental function.

12 (4) Agency responses refusing, in whole or in part, inspection of  
13 any public record shall include a statement of the specific exemption  
14 authorizing the withholding of the record (or part) and a brief  
15 explanation of how the exemption applies to the record withheld.

16 **Sec. 8.** 1991 c 314 s 32 (uncodified) is amended to read as  
17 follows:

18 RCW 43.160.076 and 1991 c 314 s 24 & 1985 c 446 s 6 are each  
19 repealed effective June 30, ((1993)) 1995.

20 **Sec. 9.** 1991 c 314 s 34 (uncodified) is amended to read as  
21 follows:

22 ((Section 25 of this act)) RCW 43.160.210 shall take effect July 1,  
23 ((1993)) 1995.

--- END ---