

---

**SUBSTITUTE HOUSE BILL 2699**

---

**State of Washington**

**53rd Legislature**

**1994 Regular Session**

**By** House Committee on Trade, Economic Development & Housing (originally sponsored by Representatives Wineberry, Forner, J. Kohl, Schoesler, Appelwick, Long, Thibaudeau, Ballasiotes, Lemmon, L. Johnson, Campbell, Valle, Basich, Pruitt, Rayburn, Flemming, Kremen, Sheldon, Karahalios, Conway, Springer and Quall)

Read first time 02/04/94.

1       AN ACT Relating to community empowerment; amending RCW 43.63A.700,  
2 43.63A.710, 82.60.020, 82.62.010, 43.270.010, 43.270.020, 43.270.030,  
3 43.270.040, 43.270.050, 43.270.060, and 43.270.070; reenacting and  
4 amending RCW 43.185.070; adding a new section to chapter 50.67 RCW;  
5 adding a new section to chapter 82.04 RCW; adding a new section to  
6 chapter 43.330 RCW; adding a new section to chapter 43.310 RCW; adding  
7 a new section to chapter 43.185A RCW; adding new chapters to Title 43  
8 RCW; adding a new chapter to Title 50 RCW; adding new chapters to Title  
9 82 RCW; creating new sections; recodifying RCW 43.63A.700 and  
10 43.63A.710; making appropriations; providing an effective date; and  
11 declaring an emergency.

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

13       NEW SECTION.   **Sec. 1.** (1) The legislature finds that:

14       (a) Neighborhoods are a powerful indicator of the diversity and  
15 health of the state;

16       (b) There are geographic areas within communities that are  
17 characterized by a lack of employment opportunities and high  
18 unemployment, by an average income that is below the median income  
19 level for the surrounding community, by a high rate of crime, by a lack

1 of affordable housing, by deteriorating infrastructure, and by a lack  
2 of facilities for community services, job training, and education;

3 (c) Strategies to revitalize these neighborhoods and empower  
4 residents involve a variety of activities that increase economic and  
5 social diversity, make physical improvements, and improve economic  
6 opportunities for neighborhood residents;

7 (d) Revitalization strategies cannot be accomplished with  
8 governmental resources only and requires a comprehensive approach that  
9 depends on a local government's ability to coordinate public resources  
10 in a long-term strategy designed to leverage private and community  
11 investment in the neighborhood;

12 (e) Local governments, in cooperation with neighborhood residents,  
13 can provide leadership as well as planning and coordination of  
14 resources and necessary services to address revitalization of the  
15 neighborhood; and

16 (f) It is in the public interest to adopt a targeted approach to  
17 community empowerment and enlist the resources of the public and  
18 private sectors and neighborhood groups to revitalize neighborhoods.

19 (2) The legislature declares that the purposes of the community  
20 empowerment act are to:

21 (a) Encourage community empowerment through strong partnerships and  
22 cooperation between all levels of government, community-based  
23 organizations and groups, neighborhood residents, and the private  
24 sector;

25 (b) Involve and educate the private sector and stimulate private  
26 reinvestment through the judicious use of public resources;

27 (c) Target governmental resources to those neighborhoods in  
28 greatest need;

29 (d) Include neighborhood individuals and organizations in the  
30 policy-making process; and

31 (e) Enable economically disadvantaged young adults to obtain the  
32 education and employment skills necessary to achieve economic self-  
33 sufficiency.

34 **PART I. WASHINGTON YOUTHBUILD PROGRAM**

35 NEW SECTION. **Sec. 101.** (1) The legislature finds that there is a  
36 need to:

1 (a) Expand the supply of permanent affordable housing for homeless  
2 individuals, low and very low-income persons, and special need  
3 populations by utilizing the energies and talents of economically  
4 disadvantaged youth;

5 (b) Provide economically disadvantaged youth with opportunities for  
6 meaningful work and service to their communities in helping to meet the  
7 housing needs of homeless individuals, low and very low-income persons,  
8 and special need populations;

9 (c) Enable economically disadvantaged youth to obtain the education  
10 and employment skills necessary to achieve economic self-sufficiency;  
11 and

12 (d) Foster the development of leadership skills and commitment to  
13 community development among youth in designated community empowerment  
14 zones.

15 (2) The legislature declares that the purpose of the Washington  
16 youthbuild program is to:

17 (a) Help disadvantaged youth who have dropped out of school to  
18 obtain the education and employment skills necessary to achieve  
19 economic self-sufficiency and develop leadership skills and a  
20 commitment to community development in designated community empowerment  
21 zones; and

22 (b) Provide funding assistance to entities implementing programs  
23 that provide comprehensive education and skills training programs  
24 designed to lead to self-sufficiency for economically disadvantaged  
25 youth.

26 NEW SECTION. **Sec. 102.** Unless the context clearly requires  
27 otherwise, the definitions in this section apply throughout this  
28 chapter.

29 (1) "Applicant" means a public or private nonprofit organization  
30 agency eligible to provide education and employment training under  
31 federal or state employment training programs.

32 (2) "Commissioner" means the commissioner of employment security.

33 (3) "Department" means the employment security department.

34 (4) "Low income" has the same meaning as in RCW 43.185A.010.

35 (5) "Participant" means an individual that:

36 (a) Is sixteen to twenty-four years of age, inclusive;

37 (b) Is or is a member of a very low-income household; and

1 (c) Is neither attending any school nor subject to a compulsory  
2 attendance law and who has not received a secondary school diploma or  
3 a certificate of equivalency for such diploma.

4 (6) "Very low income" means a person or household whose income is  
5 at or below fifty percent of the median family income, adjusted for  
6 household size, for the county where the household is located.

7 (7) "Youthbuild" means any program that provides disadvantaged  
8 youth with opportunities for employment, education, leadership  
9 development, and training in the construction or rehabilitation of  
10 housing for special need populations, very low-income households, or  
11 low-income households.

12 NEW SECTION. **Sec. 103.** The Washington youthbuild program is  
13 established within the department. The commissioner, in cooperation  
14 and consultation with the director of the department of community,  
15 trade, and economic development, shall:

16 (1) Make grants, up to the lesser of three hundred thousand dollars  
17 or twenty-five percent of the total costs of the youthbuild activities,  
18 to applicants eligible to provide education and employment training  
19 under federal or state employment training programs, for the purpose of  
20 carrying out a wide range of multidisciplinary activities and services  
21 to assist economically disadvantaged youth under the federal  
22 opportunities for youth: Youthbuild program (106 Stat. 3723; 42 U.S.C.  
23 Sec. 8011), or locally developed youthbuild-type programs for  
24 economically disadvantaged youth; and

25 (2) Coordinate youth employment and training efforts under the  
26 department's jurisdiction and cooperate with other agencies and  
27 departments providing youth services to ensure that funds appropriated  
28 for the purposes of this chapter will be used to supplement funding  
29 from federal, state, local, or private sources.

30 NEW SECTION. **Sec. 104.** (1) Grants made under this chapter shall  
31 be used to fund an applicant's activities to implement a comprehensive  
32 education and employment skills training program.

33 (2) Activities eligible for assistance under this chapter include:

34 (a) Education and job skills training services and activities that  
35 include:

1 (i) Work experience and skills training, coordinated to the maximum  
2 extent feasible, with preapprenticeship and apprenticeship programs in  
3 construction and rehabilitation trades;

4 (ii) Services and activities designed to meet the educational needs  
5 of participants, including basic skills instruction and remedial  
6 education, bilingual education for participants with limited-English  
7 proficiency, secondary education services and activities designed to  
8 lead to the attainment of a high school diploma or its equivalent, and  
9 counseling and assistance in attaining postsecondary education and  
10 required financial aid;

11 (b) Counseling services and related activities;

12 (c) Activities designed to develop employment and leadership  
13 skills;

14 (d) Support services and need-based stipends necessary to enable  
15 the participant to participate in the program and to assist  
16 participants through support services in retaining employment;

17 (e) Wage stipends and benefits provided to participants; and

18 (f) Administrative costs of the applicant, not to exceed five  
19 percent of the amount of assistance provided under this chapter.

20 NEW SECTION. **Sec. 105.** (1) An individual selected as a  
21 participant in the youthbuild program under this chapter may be offered  
22 full-time participation for a period of not less than six months and  
23 not more than twenty-four months.

24 (2) An applicant's program that is selected for funding under this  
25 chapter shall be structured so that fifty percent of the time spent by  
26 the participants in the youthbuild program is devoted to educational  
27 services and activities, such as those outlined in section 104 of this  
28 act.

29 NEW SECTION. **Sec. 106.** (1) An application for a grant under this  
30 chapter shall be submitted by the applicant in such form and in  
31 accordance with the requirements as determined by the commissioner.

32 (2) The application for a grant under this chapter shall contain at  
33 a minimum:

34 (a) The amount of the grant request and its proposed use;

35 (b) A description of the applicant and a statement of its  
36 qualifications, including a description of the applicant's past  
37 experience with housing rehabilitation or construction with youth and

1 youth education and employment training programs, and its relationship  
2 with local unions and apprenticeship programs and other community  
3 groups;

4 (c) A description of the proposed site for the program;

5 (d) A description of the educational and job training activities,  
6 work opportunities, and other services that will be provided to  
7 participants;

8 (e) A description of the proposed construction or rehabilitation  
9 activities to be undertaken and the anticipated schedule for carrying  
10 out such activities;

11 (f) A description of the manner in which eligible participants will  
12 be recruited and selected, including a description of arrangements  
13 which will be made with federal or state agencies, community-based  
14 organizations, local school districts, the courts of jurisdiction for  
15 status and youth offenders, shelters for homeless individuals and other  
16 agencies that serve homeless youth, foster care agencies, and other  
17 appropriate public and private agencies;

18 (g) A description of the special outreach efforts that will be  
19 undertaken to recruit eligible young women, including young women with  
20 dependent children;

21 (h) A description of how the proposed program will be coordinated  
22 with other federal, state, local, and private resources and programs,  
23 including vocational, adult, and bilingual education programs, and job  
24 training programs;

25 (i) Assurances that there will be a sufficient number of adequately  
26 trained supervisory personnel in the program who have attained the  
27 level of journeyman or have served an apprenticeship through the  
28 Washington state apprenticeship training council;

29 (j) A description of the applicant's relationship with building  
30 contractor groups and trade unions regarding their involvement in  
31 training, and the relationship of the youthbuild program with  
32 established apprenticeship and training programs;

33 (k) A description of activities that will be undertaken to develop  
34 the leadership skills of the participants;

35 (l) A description of the commitments for any additional resources  
36 to be made available to the local program from the applicant, from  
37 recipients of other federal, state, local, or private sources; and

38 (m) Other factors the commissioner deems necessary.

1        NEW SECTION.    **Sec. 107.**    A new section is added to chapter 50.67  
2 RCW to read as follows:

3        (1) In addition to its duties under this chapter, the Washington  
4 state job training coordinating council shall advise the employment  
5 security department and department of community, trade, and economic  
6 development on the development and implementation of the Washington  
7 youthbuild program created under sections 101 through 106 of this act.

8        (2) The Washington state job training coordinating council shall  
9 submit to the commissioner of the employment security department, the  
10 director of the department of community, trade, and economic  
11 development, and the legislature, by each December 1st, beginning  
12 December 1, 1994, a report detailing the progress, findings, and  
13 recommendations concerning the Washington youthbuild program created  
14 under sections 101 through 106 of this act.

15        **Sec. 108.**    RCW 43.185.070 and 1991 c 356 s 5 and 1991 c 295 s 2 are  
16 each reenacted and amended to read as follows:

17        (1) During each calendar year in which funds from the housing trust  
18 fund or other legislative appropriations are available for use by the  
19 department for the housing assistance program, the department shall  
20 announce to all known interested parties, and through major media  
21 throughout the state, a grant and loan application period of at least  
22 ninety days' duration. This announcement shall be made as often as the  
23 director deems appropriate for proper utilization of resources. The  
24 department shall then promptly grant as many applications as will  
25 utilize available funds less appropriate administrative costs of the  
26 department. Administrative costs paid out of the housing trust fund  
27 may not exceed four percent of annual revenues available for  
28 distribution to housing trust fund projects. In awarding funds under  
29 this chapter, the department shall provide for a geographic  
30 distribution on a state-wide basis.

31        (2) The department shall give first priority to applications for  
32 projects and activities which utilize existing privately owned housing  
33 stock including privately owned housing stock purchased by nonprofit  
34 public development authorities and public housing authorities as  
35 created in chapter 35.82 RCW. As used in this subsection, privately  
36 owned housing stock includes housing that is acquired by a federal  
37 agency through a default on the mortgage by the private owner. Such  
38 projects and activities shall be evaluated under subsection (3) of this

1 section. Second priority shall be given to activities and projects  
2 which utilize existing publicly owned housing stock. All projects and  
3 activities shall be evaluated by some or all of the criteria under  
4 subsection (3) of this section, and similar projects and activities  
5 shall be evaluated under the same criteria.

6 (3) The department shall give preference for applications based on  
7 some or all of the criteria under this subsection, and similar projects  
8 and activities shall be evaluated under the same criteria:

9 (a) The degree of leveraging of other funds that will occur;

10 (b) The degree of commitment from programs to provide necessary  
11 habilitation and support services for projects focusing on special  
12 needs populations;

13 (c) Recipient contributions to total project costs, including  
14 allied contributions from other sources such as professional, craft and  
15 trade services, and lender interest rate subsidies;

16 (d) Local government project contributions in the form of  
17 infrastructure improvements, and others;

18 (e) Projects that encourage ownership, management, and other  
19 project-related responsibility opportunities;

20 (f) Projects that demonstrate a strong probability of serving the  
21 original target group or income level for a period of at least twenty-  
22 five years;

23 (g) The applicant has the demonstrated ability, stability and  
24 resources to implement the project;

25 (h) Projects which demonstrate serving the greatest need;

26 (i) Projects that provide housing for persons and families with the  
27 lowest incomes;

28 (j) Projects serving special needs populations which are under  
29 statutory mandate to develop community housing;

30 (k) Project location and access to employment centers in the region  
31 or area; ((and))

32 (l) Projects that provide employment and training opportunities for  
33 disadvantaged youth under a youthbuild or youthbuild-type program as  
34 defined in section 102 of this act; and

35 (m) Project location and access to available public transportation  
36 services.

37 (4) The department shall only approve applications for projects for  
38 mentally ill persons that are consistent with a regional support  
39 network six-year capital and operating plan.





1 who resides within a designated community empowerment zone that enables  
2 that person to prepare for better employment opportunities.

3 (10) "Housing assistance" means any activity that aids in the  
4 acquisition, preservation, rehabilitation, or construction of  
5 affordable housing within a designated community empowerment zone.

6 (11) "Job training" means any type of instruction to any person who  
7 resides within a designated community empowerment zone that enables  
8 that person to acquire vocational skills to become employable or seek  
9 a higher grade of employment.

10 (12) "Local government" means a city, town, or county. The term  
11 local government also includes federally recognized Indian  
12 reservations.

13 (13) "Nonprofit organization" means any public or private  
14 organization that: (a) Is organized under federal, state, or local  
15 laws; (b) has no part of its net earnings inuring to the benefit of any  
16 member, founder, contributor, or individual; and (c) has among its  
17 purposes significant activities related to community empowerment zone  
18 assistance activities within a designated community empowerment zone.  
19 The term also includes public housing authorities created under chapter  
20 35.82 RCW and public corporations created under chapter 35.21 RCW that  
21 operate within a designated community empowerment zone.

22 **Sec. 202.** RCW 43.63A.700 and 1993 sp.s. c 25 s 401 are each  
23 amended to read as follows:

24 (1) The department, in cooperation with the department of revenue,  
25 the employment security department, and the office of financial  
26 management, shall approve applications submitted by local governments  
27 for designation as a (~~neighborhood reinvestment area~~) community  
28 empowerment zone under this section. The application shall be in the  
29 form and manner and contain such information as the department may  
30 prescribe, provided that the application for designation shall:

31 (a) Contain information sufficient for the director to determine if  
32 the criteria established in RCW 43.63A.710 (as recodified by this act)  
33 have been met.

34 (b) Be submitted on behalf of the local government by its chief  
35 elected official, or, if none, by the governing body of the local  
36 government.

37 (c) Contain a five-year (~~neighborhood reinvestment~~) community  
38 empowerment plan that describes the proposed designated (~~neighborhood~~

1 ~~reinvestment—area's~~) community empowerment zone's community  
2 development needs and present a strategy for meeting those needs. The  
3 plan shall address the following categories: Housing needs; public  
4 infrastructure needs, such as transportation, water, sanitation,  
5 energy, and drainage/flood control; other public facilities needs, such  
6 as neighborhood facilities or facilities for provision of health,  
7 education, recreation, public safety, or other services; community  
8 economic development needs, such as commercial/industrial  
9 revitalization, job creation and retention considering the unemployment  
10 and underemployment of area residents, accessibility to financial  
11 resources by area residents and businesses, investment within the area,  
12 or other related components of community economic development; ~~((and))~~  
13 social service needs; and public safety needs, such as gang and  
14 violence reduction or prevention, or community policing activities.

15 The local government is required to provide a description of its  
16 strategy for meeting the needs identified in this subsection (1)(c).  
17 As part of the strategy, the local government is required to identify  
18 the needs for which specific plans are currently in place and the  
19 source of funds expected to be used. For the balance of the area's  
20 needs, the local government must identify the source of funds expected  
21 to become available during the next two-year period and actions the  
22 local government will take to acquire those funds.

23 (d) Certify that neighborhood residents were given the opportunity  
24 to participate in the development of the five-year ~~((neighborhood~~  
25 ~~reinvestment))~~ community empowerment strategy required under (c) of  
26 this subsection.

27 (2) No local government shall submit more than two neighborhoods to  
28 the department for possible designation as a designated ~~((neighborhood~~  
29 ~~reinvestment—area))~~ community empowerment zone under this section.

30 (3)(a) Within ninety days after January 1, 1994, the director may  
31 designate up to six designated ~~((neighborhood reinvestment—areas))~~  
32 community empowerment zones from among the applications eligible for  
33 designation as a designated ~~((neighborhood reinvestment—area under this~~  
34 ~~section))~~ community empowerment zone.

35 (b) Within ninety days after October 1, 1994, the director may  
36 designate additional designated community empowerment zones from among  
37 the applications eligible for designation as a designated community  
38 empowerment zone. The director may designate up to a total of ten  
39 designated community empowerment zones under this section.

1       (c) The director shall make determinations of designated  
2       (~~neighborhood reinvestment areas~~) community empowerment zones on the  
3 basis of the following factors:

4       (i) The strength and quality of the local government commitments to  
5 meet the needs identified in the five-year (~~neighborhood~~  
6 ~~reinvestment~~) community empowerment plan required under this section.

7       (ii) The level of private commitments by private entities of  
8 additional resources and contribution to the designated (~~neighborhood~~  
9 ~~reinvestment area~~) community empowerment zone.

10       (iii) The potential for (~~reinvestment in~~) revitalization of the  
11 area as a result of designation as a designated (~~neighborhood~~  
12 ~~reinvestment area~~) community empowerment zone.

13       (iv) Other factors the director (~~of the department of community~~  
14 ~~development~~) deems necessary.

15       (~~(b)~~) (d) The determination of the director as to the areas  
16 designated as (~~neighborhood reinvestment areas~~) community empowerment  
17 zones shall be final.

18       **Sec. 203.** RCW 43.63A.710 and 1993 sp.s. c 25 s 402 are each  
19 amended to read as follows:

20       (1) The director may not designate an area as a designated  
21 (~~neighborhood reinvestment area~~) community empowerment zone unless  
22 that area meets the following requirements:

23       (a) The area must be designated by the legislative authority of the  
24 local government as an area to receive federal, state, and local  
25 assistance designed to increase economic, physical, or social activity  
26 in the area;

27       (b) The area must have at least fifty-one percent of the households  
28 in the area with incomes at or below eighty percent of the county's  
29 median income, adjusted for household size;

30       (c)(i) The average unemployment rate for the area, for the most  
31 recent twelve-month period for which data is available must be at least  
32 one hundred twenty percent of the average unemployment rate of the  
33 county; or (ii) the percentage rate of households, for the area, that  
34 receives public assistance under Title 74 RCW must be at least one  
35 hundred twenty percent of the percentage rate of households that  
36 receive public assistance for the county; and

37       (d) A five-year (~~neighborhood reinvestment~~) community empowerment  
38 plan for the area that meets the requirements of RCW 43.63A.700(1)(c)

1 (as recodified by this act) and as further defined by the director must  
2 be adopted.

3 (2) The director may establish, by rule, such other requirements as  
4 the director may reasonably determine necessary and appropriate to  
5 assure that the purposes of this section are satisfied.

6 (3) In determining if an area meets the requirements of this  
7 section, the director may consider data provided by the United States  
8 bureau of the census from the most recent census or any other reliable  
9 data that the director determines to be acceptable for the purposes for  
10 which the data is used.

11 **PART III. COMMUNITY EMPOWERMENT ZONE INCENTIVES**

12 **A. Community and Business Partnership Tax Credits**

13 NEW SECTION. **Sec. 301.** Unless the context clearly requires  
14 otherwise, the definitions in this section apply throughout this  
15 chapter.

16 (1) "Affordable housing" has the same meaning as in RCW  
17 43.185B.010.

18 (2) "Community empowerment zone" has the same meaning as in section  
19 201 of this act.

20 (3) "Community empowerment zone assistance" has the same meaning as  
21 in section 201 of this act.

22 (4) "Community service" has the same meaning as in section 201 of  
23 this act.

24 (5) "Crime prevention" has the same meaning as in section 201 of  
25 this act.

26 (6) "Department" means the department of revenue.

27 (7) "Director" means the director of the department of revenue.

28 (8) "Education" has the same meaning as in section 201 of this act.

29 (9) "Housing assistance" has the same meaning as in section 201 of  
30 this act.

31 (10) "Job training" has the same meaning as in section 201 of this  
32 act.

33 (11) "Nonprofit organization" has the same meaning as in section  
34 201 of this act.

35 (12) "Person" has the meaning given in RCW 82.04.030.

36 (13) "Recipient" means a person receiving tax credits under this  
37 chapter.

1        NEW SECTION.    **Sec. 302.**    The department shall establish a program  
2 to provide tax credits to a person making contributions to nonprofit  
3 organizations that are undertaking community empowerment zone  
4 assistance activities in a designated community empowerment zone. The  
5 tax credit may be used as a credit against any of the taxes imposed on  
6 the person under chapter 82.04 RCW.

7        NEW SECTION.    **Sec. 303.**    (1) Application for tax credit under this  
8 chapter must be made before the actual contribution to the community  
9 empowerment zone assistance activity is made. The application shall be  
10 made to the department of community development through June 30, 1994,  
11 and on and after July 1, 1994, to the department of community, trade,  
12 and economic development in a form and manner prescribed by the  
13 department of revenue and the department of community development  
14 through June 30, 1994, and on and after July 1, 1994, the department of  
15 community, trade, and economic development.

16        (2) The department of community development through June 30, 1994,  
17 and on and after July 1, 1994, the department of community, trade, and  
18 economic development shall transmit a copy of the completed application  
19 for tax credits to the department of revenue, with its recommendations,  
20 within ten working days after receipt thereof. Within thirty days  
21 after receipt of the completed application from the department of  
22 community development or the department of community, trade, and  
23 economic development, the department of revenue shall determine the  
24 amount of tax credits to be allocated to the business firm. The  
25 department of revenue shall notify the department of community  
26 development through June 30, 1994, and on and after July 1, 1994, the  
27 department of community, trade, and economic development of its  
28 decision within ten working days.

29        (3) The department of revenue, in consultation with the department  
30 of community development through June 30, 1994, and on and after July  
31 1, 1994, the department of community, trade, and economic development,  
32 shall adopt rules specifying the administrative procedures applicable  
33 to applicants for tax credits, the form and manner in which the  
34 applications shall be filed, and the information to be contained  
35 therein. The rules shall apply to administrative procedure before the  
36 department of revenue and the department of community development or  
37 the department of community, trade, and economic development.

1        NEW SECTION.    **Sec. 304.**    In order to qualify for the tax credits in  
2 section 302 of this act, the community empowerment zone assistance  
3 activity must meet the following requirements:

4        (1) The activity must be located in a designated community  
5 empowerment zone;

6        (2) The contribution must be made to a nonprofit organization that  
7 is undertaking activities that are consistent with the area's five-year  
8 community empowerment zone strategy approved under RCW 43.63A.700 (as  
9 recodified by this act).

10       NEW SECTION.    **Sec. 305.**    (1) No tax credit under this chapter for  
11 community empowerment zone assistance activities may be issued after  
12 December 31, 1999.

13       (2) The department shall grant a credit against the tax due under  
14 this chapter of an amount equal to thirty percent of the approved  
15 amount contributed by the person for eligible community empowerment  
16 zone assistance activities in designated community empowerment zones  
17 during the taxable year.

18       (3) Any tax credit not used during the taxable year in which the  
19 contribution was made may be carried forward for the five immediately  
20 succeeding taxable years until the full credit has been used.

21       (4) The department shall keep a running total of all tax credits  
22 granted under this chapter during each fiscal biennium. The department  
23 shall not allow any credits that would cause the total tabulation for  
24 a biennium to exceed two million dollars. If all or part of an  
25 application for credit is disallowed under this subsection, the  
26 disallowed portion shall be carried over for approval the next  
27 biennium.

28       (5) No tax credit shall be granted to any bank, bank and trust  
29 company, trust company, national bank, savings bank, savings  
30 association, or savings and loan association for activities that are a  
31 part of its normal course of business.

32       (6) No recipient is eligible for tax credits in excess of two  
33 hundred thousand dollars during the taxable year and no tax credit  
34 shall be granted to any person for any amount contributed of less than  
35 two hundred fifty dollars.

1        NEW SECTION.    **Sec. 306.**    Applications and any other information  
2 received by the department under sections 301 through 305 of this act  
3 shall not be confidential and shall be subject to disclosure.

4            **B.    Tax Deferrals for Investment Projects in Distressed Areas**

5            **Sec. 307.**    RCW 82.60.020 and 1993 sp.s. c 25 s 403 are each amended  
6 to read as follows:

7            Unless the context clearly requires otherwise, the definitions in  
8 this section apply throughout this chapter.

9            (1) "Applicant" means a person applying for a tax deferral under  
10 this chapter.

11           (2) "Department" means the department of revenue.

12           (3) "Eligible area" means: (a) A county in which the average level  
13 of unemployment for the three years before the year in which an  
14 application is filed under this chapter exceeds the average state  
15 unemployment for those years by twenty percent; (b) a metropolitan  
16 statistical area, as defined by the office of federal statistical  
17 policy and standards, United States department of commerce, in which  
18 the average level of unemployment for the calendar year immediately  
19 preceding the year in which an application is filed under this chapter  
20 exceeds the average state unemployment for such calendar year by twenty  
21 percent; or (c) a designated ((neighborhood reinvestment area))  
22 community empowerment zone approved under RCW 43.63A.700 (as recodified  
23 by this act).

24           (4)(a) "Eligible investment project" means that portion of an  
25 investment project which:

26           (i) Is directly utilized to create at least one new full-time  
27 qualified employment position for each three hundred thousand dollars  
28 of investment on which a deferral is requested; and

29           (ii) Either initiates a new operation, or expands or diversifies a  
30 current operation by expanding or renovating an existing building with  
31 costs in excess of twenty-five percent of the true and fair value of  
32 the plant complex prior to improvement; or

33           (iii) Acquires machinery and equipment to be used for either  
34 manufacturing or research and development if the machinery and  
35 equipment is housed in a new leased structure. The lessor/owner of the  
36 structure is not eligible for a deferral unless the underlying



1 ownership of the buildings, machinery, and equipment vests exclusively  
2 in the same person.

3 (b) "Eligible investment project" does not include any portion of  
4 an investment project undertaken by a light and power business as  
5 defined in RCW 82.16.010(5), with the exception of buildings used for  
6 offices of the light and power business, or investment projects which  
7 have already received deferrals under this chapter.

8 (5) "Investment project" means an investment in qualified buildings  
9 and qualified machinery and equipment, including labor and services  
10 rendered in the planning, installation, and construction of the  
11 project.

12 (6) "Manufacturing" means all activities of a commercial or  
13 industrial nature wherein labor or skill is applied, by hand or  
14 machinery, to materials so that as a result thereof a new, different,  
15 or useful substance or article of tangible personal property is  
16 produced for sale or commercial or industrial use and shall include the  
17 production or fabrication of specially made or custom made articles.  
18 "Manufacturing" also includes computer programming, the production of  
19 computer software, and other computer-related services, and the  
20 activities performed by research and development laboratories and  
21 commercial testing laboratories.

22 (7) "Person" has the meaning given in RCW 82.04.030.

23 (8) "Qualified buildings" means new structures used for  
24 manufacturing and research and development activities, including plant  
25 offices and warehouses or other facilities for the storage of raw  
26 material or finished goods if such facilities are an essential or an  
27 integral part of a factory, mill, plant, or laboratory used for  
28 manufacturing or research and development. If a building is used  
29 partly for manufacturing or research and development and partly for  
30 other purposes, the applicable tax deferral shall be determined by  
31 apportionment of the costs of construction under rules adopted by the  
32 department.

33 (9) "Qualified employment position" means a permanent full-time  
34 employee employed in the eligible investment project during the entire  
35 tax year. In addition to the requirements of this subsection, for  
36 projects located in community empowerment zones, the employee must  
37 initially reside in the community empowerment zone.

38 (10) "Qualified machinery and equipment" means all new industrial  
39 and research fixtures, equipment, and support facilities that are an

1 integral and necessary part of a manufacturing or research and  
2 development operation. "Qualified machinery and equipment" includes:  
3 Computers; software; data processing equipment; laboratory equipment;  
4 manufacturing components such as belts, pulleys, shafts, and moving  
5 parts; molds, tools, and dies; operating structures; and all equipment  
6 used to control or operate the machinery.

7 (11) "Recipient" means a person receiving a tax deferral under this  
8 chapter.

9 (12) "Research and development" means the development, refinement,  
10 testing, marketing, and commercialization of a product, service, or  
11 process before commercial sales have begun. As used in this  
12 subsection, "commercial sales" excludes sales of prototypes or sales  
13 for market testing if the total gross receipts from such sales of the  
14 product, service, or process do not exceed one million dollars.

### 15 C. Tax Credits for Eligible Business Projects

16 **Sec. 308.** RCW 82.62.010 and 1993 sp.s. c 25 s 410 are each amended  
17 to read as follows:

18 Unless the context clearly requires otherwise, the definitions in  
19 this section apply throughout this chapter.

20 (1) "Applicant" means a person applying for a tax credit under this  
21 chapter.

22 (2) "Department" means the department of revenue.

23 (3) "Eligible area" means: (a) A county in which the average level  
24 of unemployment for the three years before the year in which an  
25 application is filed under this chapter exceeds the average state  
26 unemployment for those years by twenty percent; (b) a metropolitan  
27 statistical area, as defined by the office of federal statistical  
28 policy and standards, United States department of commerce, in which  
29 the average level of unemployment for the calendar year immediately  
30 preceding the year in which an application is filed under this chapter  
31 exceeds the average state unemployment for such calendar year by twenty  
32 percent; (c) a designated (~~neighborhood reinvestment area~~) community  
33 empowerment zone approved under RCW 43.63A.700 (as recodified by this  
34 act); or (d) subcounty areas in those counties that are not covered  
35 under (a) of this subsection that are timber impact areas as defined in  
36 RCW 43.31.601.

1 (4)(a) "Eligible business project" means manufacturing or research  
2 and development activities which are conducted by an applicant in an  
3 eligible area at a specific facility, provided the applicant's average  
4 full-time qualified employment positions at the specific facility will  
5 be at least fifteen percent greater in the year for which the credit is  
6 being sought than the applicant's average full-time qualified  
7 employment positions at the same facility in the immediately preceding  
8 year.

9 (b) "Eligible business project" does not include any portion of a  
10 business project undertaken by a light and power business as defined in  
11 RCW 82.16.010(5) or that portion of a business project creating  
12 qualified full-time employment positions outside an eligible area or  
13 those recipients of a sales tax deferral under chapter 82.61 RCW.

14 (5) "Manufacturing" means all activities of a commercial or  
15 industrial nature wherein labor or skill is applied, by hand or  
16 machinery, to materials so that as a result thereof a new, different,  
17 or useful substance or article of tangible personal property is  
18 produced for sale or commercial or industrial use and shall include the  
19 production or fabrication of specially made or custom made articles.  
20 "Manufacturing" also includes computer programming, the production of  
21 computer software, and other computer-related services, and the  
22 activities performed by research and development laboratories and  
23 commercial testing laboratories.

24 (6) "Person" has the meaning given in RCW 82.04.030.

25 (7) "Qualified employment position" means a permanent full-time  
26 employee employed in the eligible business project during the entire  
27 tax year. In addition to the requirements of this subsection, for  
28 projects located in community empowerment zones, the employee must  
29 initially reside in the community empowerment zone.

30 (8) "Tax year" means the calendar year in which taxes are due.

31 (9) "Recipient" means a person receiving tax credits under this  
32 chapter.

33 (10) "Research and development" means the development, refinement,  
34 testing, marketing, and commercialization of a product, service, or  
35 process before commercial sales have begun. As used in this  
36 subsection, "commercial sales" excludes sales of prototypes or sales  
37 for market testing if the total gross receipts from such sales of the  
38 product, service, or process do not exceed one million dollars.

1       **D. Deductions for Business Loans in Community Empowerment Zones**

2       NEW SECTION.   **Sec. 309.**   A new section is added to chapter 82.04  
3   RCW to read as follows:

4       In computing tax there may be deducted from the measure of tax by  
5   those engaged in banking, loan, security, or other financial business,  
6   amounts derived from interest received on loans to bona fide businesses  
7   located in a designated community empowerment zone approved under RCW  
8   43.63A.700 (as recodified by this act).

9       **E. Commercial District Revitalization Technical Assistance**

10      NEW SECTION.   **Sec. 310.**   A new section is added to chapter 43.330  
11   RCW to read as follows:

12      The department shall provide technical assistance to support  
13   implementation of community empowerment zone plans. Such assistance  
14   may include, but is not limited to, commercial district revitalization  
15   techniques using the state's main street program approach, technical  
16   and leadership skills training for community-based development  
17   organizations, small business and entrepreneurial development, and real  
18   estate development and financing.

19      NEW SECTION.   **Sec. 311.**   The sum of one hundred thousand dollars,  
20   or as much thereof as may be necessary, is appropriated for the  
21   biennium ending June 30, 1995, from the general fund to the department  
22   of community, trade, and economic development for the purposes of  
23   section 310 of this act.

24                   **F. At-Risk Youth Employment Tax Credits**

25      NEW SECTION.   **Sec. 312.**   Unless the context clearly requires  
26   otherwise, the definitions in this section apply throughout this  
27   chapter.

28      (1) "At-risk youth" means a person who is under the age of  
29   eighteen, who risks the significant loss of social or economic  
30   opportunities, including those who are victims of violence, abuse, and  
31   neglect, and who resides within a designated community empowerment zone  
32   as defined in section 201 of this act.

33      (2) "Department" means the department of revenue.

- 1 (3) "Person" has the meaning given in RCW 82.04.030.  
2 (4) "Tax year" means the calendar year in which taxes are due.  
3 (5) "Recipient" means a person receiving tax credits.

4 NEW SECTION. **Sec. 313.** (1) A person shall be allowed a credit  
5 against the tax due under chapter 82.04 RCW of an amount equal to five  
6 hundred dollars for each one thousand hours of employment, or a credit  
7 that is prorated by the number of hours of employment, by at-risk  
8 youth.

9 (2) No recipient is eligible for tax credits in excess of ten  
10 thousand dollars in a tax year.

11 (3) No recipient may use tax credits to decertify a union or  
12 displace existing jobs in any community in the state.

13 (4) No recipient may receive a tax credit on taxes which have not  
14 been paid during the taxable year.

15 NEW SECTION. **Sec. 314.** (1) Each recipient shall submit a report  
16 to the department on December 31st of each year on the number of at-  
17 risk youth employed over the previous twelve months as a result of the  
18 tax credits authorized by this chapter.

19 (2) The department shall report to the appropriate committee of the  
20 house of representatives and senate on the accomplishments of the tax  
21 credit authorized by this chapter.

22 NEW SECTION. **Sec. 315.** Chapter 82.32 RCW applies to the  
23 administration of this chapter.

24 **PART IV. CRIME PREVENTION AND REDUCTION**

25 NEW SECTION. **Sec. 401.** The legislature finds that crime is one of  
26 the most compelling, symbolic, and practical issues that reinforce the  
27 image of decline in a neighborhood. Pervasive and violent crime, drug  
28 trafficking, and gang activities make these neighborhoods difficult  
29 places in which to live and dangerous and expensive places in which to  
30 do business. The legislature further finds that the perception that an  
31 area is unsafe discourages business involvement or reinvestment by  
32 individuals or financial institutions. The legislature declares that  
33 all citizens of the state of Washington will benefit from a

1 comprehensive strategy to provide local communities the tools to  
2 develop community-based responses to crime prevention.

3 **A. Youth Gangs**

4 NEW SECTION. **Sec. 402.** A new section is added to chapter 43.310  
5 RCW to read as follows:

6 (1) For the period beginning July 1, 1994, through June 30, 1995,  
7 the department of community, trade, and economic development shall  
8 award grants to either school districts or community organizations for  
9 the development, administration, and implementation of community-based  
10 gang risk prevention and intervention pilot programs in designated  
11 community empowerment zones.

12 (2) The provisions of this chapter shall apply to grants awarded  
13 under this section.

14 (3) For the purpose of this section, "community empowerment zone"  
15 has the same meaning as in section 201 of this act.

16 (4) This section shall expire June 30, 1995.

17 NEW SECTION. **Sec. 403.** The sum of two hundred thousand dollars,  
18 or as much thereof as may be necessary, is appropriated for the  
19 biennium ending June 30, 1995, from the general fund to the department  
20 of community, trade, and economic development for the purposes of  
21 section 402 of this act.

22 NEW SECTION. **Sec. 404.** The sum of fifty thousand dollars, or as  
23 much thereof as may be necessary, is appropriated for the biennium  
24 ending June 30, 1995, from the public safety and education account to  
25 the criminal justice training commission for the purposes of training  
26 local law enforcement officers in the effective implementation of gang  
27 resistance programs within their local school districts.

28 **B. Violence Prevention and Intervention**

29 **Sec. 405.** RCW 43.270.010 and 1989 c 271 s 315 are each amended to  
30 read as follows:

31 The legislature recognizes that state-wide efforts aimed at  
32 reducing the incidence of substance abuse and violence must be  
33 increased. The legislature further recognizes that the most effective

1 strategy for reducing the impact of alcohol (~~and~~), other drug abuse,  
2 and violence is through the collaborative efforts of educators, law  
3 enforcement, local government officials, local treatment providers, and  
4 concerned community and citizens' groups.

5 The legislature intends to support the development and activities  
6 of community mobilization strategies against substance abuse or  
7 violence through the following efforts:

8 (1) Provide funding support for prevention, treatment, and  
9 enforcement activities identified by communities that have brought  
10 together education, treatment, local government, law enforcement, and  
11 other key elements of the community;

12 (2) Provide technical assistance and support to help communities  
13 develop and carry out effective activities; and

14 (3) Provide communities with opportunities to share suggestions for  
15 state program operations and budget priorities.

16 **Sec. 406.** RCW 43.270.020 and 1989 c 271 s 316 are each amended to  
17 read as follows:

18 There is established in the (~~office of the governor~~) department  
19 of community, trade, and economic development a grant program to  
20 provide incentive for and support for communities to develop targeted  
21 and coordinated strategies to reduce the incidence and impact of either  
22 substance abuse or violence.

23 Activities which may be funded through this grant program include  
24 those which:

25 (1) Prevent either substance abuse or violent behavior through  
26 educational and self-esteem efforts, development of positive  
27 alternatives, intervention with high-risk groups, and other prevention  
28 strategies;

29 (2) Support effective treatment by increasing access to and  
30 availability of treatment opportunities, particularly for underserved  
31 or highly impacted populations, developing aftercare and support  
32 mechanisms, and other strategies to increase the availability and  
33 effectiveness of treatment;

34 (3) Provide meaningful consequences for participation in illegal  
35 activity and promote safe and healthy communities through support of  
36 law enforcement strategies;

37 (4) Create or build on efforts by existing community programs,  
38 coordinate their efforts, and develop cooperative efforts or other

1 initiatives to make most effective use of resources to carry out the  
2 community's strategy against either substance abuse or violence; and  
3 (5) Other activities which demonstrate both feasibility and a  
4 rationale for how the activity will achieve measurable results in the  
5 strategy against either substance abuse or violence.

6 **Sec. 407.** RCW 43.270.030 and 1989 c 271 s 317 are each amended to  
7 read as follows:

8 Applications for funding under this chapter must:

9 (1) Demonstrate that the community has developed and is committed  
10 to carrying out a coordinated strategy of prevention, treatment, and  
11 law enforcement activities; and

12 (2)(a) For applications for substance abuse prevention or  
13 intervention activities, contain evidence of active participation of  
14 the community and specific commitments to implementing the community-  
15 wide agenda by leadership from at least education, law enforcement,  
16 local government, tribal government, and treatment entities in the  
17 community, and the opportunity for meaningful involvement from others  
18 such as neighborhood and citizen groups, businesses, human service,  
19 health and job training organizations, and other key elements of the  
20 community, particularly those whose responsibilities in law  
21 enforcement, treatment, prevention, or other community efforts provide  
22 direct, ongoing contact with substance abusers; or

23 (b) For applications for violence prevention or intervention  
24 activities, contain evidence of active participation of the community  
25 and specific commitments to implement the community-wide agenda by  
26 leadership from at least education, law enforcement, local government,  
27 and tribal government, and the opportunity for meaningful involvement  
28 from others such as neighborhood and citizen groups, businesses, human  
29 service, health and job training organizations, and other key elements  
30 of the community, particularly those that are involved in violence  
31 prevention or intervention activities.

32 **Sec. 408.** RCW 43.270.040 and 1989 c 271 s 318 are each amended to  
33 read as follows:

34 This grant program will be available to communities of any  
35 geographic size but will encourage and reward communities which develop  
36 coordinated or complimentary strategies within geographic areas such as  
37 county areas or groups of county areas which correspond to units of



1 government with significant responsibilities in the area of substance  
2 abuse or violence prevention, existing coalitions, or other entities  
3 important to the success of a community's strategy against either  
4 substance abuse or violence.

5 **Sec. 409.** RCW 43.270.050 and 1989 c 271 s 319 are each amended to  
6 read as follows:

7 At a minimum, grant applications must include the following:

8 (1) Definition of geographic area;

9 (2) A description of the extent and impact of substance abuse or  
10 violence in the community, including an explanation of those who are  
11 most severely impacted and those most at risk of substance abuse or  
12 violence;

13 (3) An explanation of the community-wide strategy for prevention,  
14 treatment, and law enforcement activities related to substance abuse or  
15 violence with particular attention to those who are most severely  
16 impacted and those most at risk of substance abuse or violence;

17 (4) Explanation of who was involved in development of the strategy  
18 and what specific commitments have been made to carrying it out;

19 (5) Identification of existing prevention, treatment, and law  
20 enforcement resources committed by the community, including financial  
21 and other support, and an explanation of how the community's strategy  
22 involves and builds on the efforts of existing organizations or  
23 coalitions that have been carrying out community efforts against  
24 substance abuse or violence;

25 (6) Identification of activities that address specific objectives  
26 in the strategy for which additional resources are needed;

27 (7) Identification of additional local resources, including public  
28 or private funds, donated goods or services, and other measurable  
29 commitments, that have been committed to the activities identified in  
30 subsection (6) of this section;

31 (8) Identification of activities which address specific  
32 objectives in the strategy for which funding is requested.  
33 Activities should be presented in priority order;

34 (9) Each activity for which funding is requested must be explained  
35 in sufficient detail to demonstrate:

36 (a) Feasibility through deliberative design, specific  
37 objectives, and realistic plan for implementation;

1 (b) A rationale for how this activity will achieve measurable  
2 results and how it will be evaluated;

3 (c) That funds requested are necessary and appropriate to  
4 effectively carry out the activity; and

5 (10) Identification of a fiscal agent meeting state requirements  
6 for each activity proposed for funding.

7 **Sec. 410.** RCW 43.270.060 and 1989 c 271 s 320 are each amended to  
8 read as follows:

9 The (~~governor~~) director of community, trade, and economic  
10 development shall make awards, subject to funds appropriated by the  
11 legislature, under the following terms:

12 (1) In order to be eligible for consideration, applications must  
13 demonstrate, at a minimum:

14 (a) That proposals submitted for funding are based on and address  
15 specific objectives contained in a coordinated strategy of prevention,  
16 treatment, and law enforcement against substance abuse or violence;

17 (b)(i) For applications for substance abuse prevention or  
18 intervention activities, evidence of active participation in  
19 preparation of the proposal and specific commitments to implementing  
20 the community-wide agenda by leadership from at least education, law  
21 enforcement, local government, tribal government, and treatment  
22 entities in the community, and the opportunity for meaningful  
23 involvement from others such as neighborhood and citizen groups,  
24 businesses, human service, health and job training organizations, and  
25 other key elements of the community, particularly those whose  
26 responsibilities in law enforcement, treatment, prevention, or other  
27 community efforts provide direct, ongoing contact with substance  
28 abusers, or those at risk for substance abuse; or

29 (ii) For applications for violence prevention or intervention  
30 activities, evidence of active participation of the community and  
31 specific commitments to implement the community-wide agenda by  
32 leadership from at least education, law enforcement, local government,  
33 and tribal organizations, and the opportunity for meaningful  
34 involvement from others such as neighborhood and citizen groups,  
35 businesses, human service, health and job training organizations, and  
36 other key elements of the community, particularly those that are  
37 involved in violence prevention or intervention activities;

38 (c) That they have met the requirements listed in RCW 43.270.050;

1 (d) Evidence of additional local resources committed to its  
2 strategy totaling at least twenty-five percent of funds awarded under  
3 this section. These resources may consist of public or private funds,  
4 donated goods or services, and other measurable commitments, including  
5 in-kind contributions such as volunteer services, materials, supplies,  
6 physical facilities or a combination thereof; and

7 (e) That the funds applied for, if received, will not be used to  
8 replace funding for existing activities.

9 (2) In order to encourage and reward communities which develop  
10 coordinated or complementary strategies within geographic areas which  
11 correspond to units of government with significant responsibilities in  
12 the area of substance abuse or violence prevention, up to fifty percent  
13 of funds appropriated for the purposes of this chapter may be awarded  
14 on a per capita basis to eligible applications reflecting coordinated  
15 strategy from a county area or group of county areas. The ((governor))  
16 director of community, trade, and economic development may establish  
17 minimum allotments per eligible county areas up to fifteen thousand  
18 dollars; and

19 (3) No less than fifty percent of funds appropriated under this  
20 chapter shall be awarded on a competitive basis for activities by  
21 communities not participating in a county-wide strategy and activities  
22 identified by county-wide strategies but not funded through per capita  
23 grants. Eligible applications will be assessed and compared by a peer  
24 review committee whose members have experience in prevention,  
25 treatment, law enforcement, and other community efforts against  
26 substance abuse or violence using the following criteria:

27 (a) The extent and impact of substance abuse or violence;

28 (b) The extent to which key elements of the community are involved  
29 in and committed to the coordinated strategy;

30 (c) The extent of commitments of local resources to the coordinated  
31 strategy;

32 (d) The extent to which any activities in a community's strategy  
33 offer an innovative approach to a chronic, wide-spread problem.

34 The peer review committee will advise the ((governor)) director of  
35 community, trade, and economic development on the extent to which each  
36 eligible applicant has met these criteria. The ((governor)) director  
37 of community, trade, and economic development will distribute available  
38 funds based on this information.

1       (4) (~~The governor shall distribute fifty percent of the initial~~  
2 ~~appropriation for the purposes of this chapter no later than October 1,~~  
3 ~~1989, and the remainder no later than July 1, 1990.~~

4       (5)) Activities funded under this section may be considered for  
5 funding in future years, but will be considered under the same terms  
6 and criteria of new activities. Funding under this section shall not  
7 constitute an obligation by the state of Washington to provide ongoing  
8 funding.

9       **Sec. 411.** RCW 43.270.070 and 1989 c 271 s 321 are each amended to  
10 read as follows:

11       The ((governor)) director of community, trade, and economic  
12 development shall ask communities for suggestions on state practices,  
13 policies, and priorities that would help communities implement their  
14 strategies against substance abuse or violence. The ((governor))  
15 director of community, trade, and economic development or appropriate  
16 agency officials shall review and respond to those suggestions making  
17 necessary changes where feasible, making recommendations to the  
18 legislature where appropriate, and providing an explanation as to why  
19 suggested changes cannot be accomplished, if the suggestions cannot be  
20 acted upon.

21       NEW SECTION.   **Sec. 412.** The sum of one million five hundred  
22 thousand dollars, or as much thereof as may be necessary, is  
23 appropriated for the biennium ending June 30, 1995, from the general  
24 fund to the department of community, trade, and economic development  
25 for the purposes of sections 405 through 411 of this act.

### 26                                   **C. Community Policing Assistance**

27       NEW SECTION.   **Sec. 413.** The department of community, trade, and  
28 economic development shall administer a grant program which makes  
29 matching grants to local governments under section 414 of this act to  
30 develop effective crime-fighting partnerships between law enforcement  
31 and the community using a problem-oriented approach.

32       NEW SECTION.   **Sec. 414.** (1) Eligibility for matching grants under  
33 this section shall be limited to:

1 (a) Local governments that have developed an overall plan or  
2 strategy to address crime and related problems through community  
3 policing in designated community empowerment zones; and

4 (b) Community policing activities to address crime problems,  
5 including but not limited to multidisciplinary crime prevention teams,  
6 public education programs, neighborhood resource centers, and foot  
7 patrols.

8 (2) A grant of up to twenty percent of salaries and fringe benefits  
9 of additional newly sworn law enforcement officers, excluding overtime,  
10 for a three-year period may be made under this section to local  
11 governments.

12 (3) The department of community, trade, and economic development  
13 may enact rules to carry out this section.

14 (4) As used in this section, "community empowerment zone" has the  
15 same meaning as in section 201 of this act.

16 NEW SECTION. **Sec. 415.** The sum of five hundred thousand dollars,  
17 or as much thereof as may be necessary, is appropriated for the  
18 biennium ending June 30, 1995, from the general fund to the department  
19 of community, trade, and economic development for the purposes of  
20 sections 413 and 414 of this act.

#### 21 **D. Homeownership Assistance for Law Enforcement Officers**

22 NEW SECTION. **Sec. 416.** A new section is added to chapter 43.185A  
23 RCW to read as follows:

24 (1) Notwithstanding the provisions of this chapter, for the period  
25 beginning July 1, 1994, through June 30, 1995, the department shall  
26 give preference to applications for projects that provide down payment  
27 or closing costs assistance to law enforcement officers who: (a)  
28 Purchase and occupy single-family residences, including condominiums,  
29 located in designated community empowerment zones; (b) are first-time  
30 home buyers; and (c) are considered low-income households. As used in  
31 this section, "community empowerment zone" has the same meaning as in  
32 section 201 of this act.

33 (2) The provisions of this chapter shall apply to grants awarded  
34 under this section.

35 (3) This section shall expire June 30, 1995.

1        NEW SECTION.   **Sec. 417.**  The sum of one hundred thousand dollars,  
2 or as much thereof as may be necessary, is appropriated for the  
3 biennium ending June 30, 1995, from the general fund to the department  
4 of community, trade, and economic development for the purpose of  
5 section 416 of this act.

6                                        **PART V.  TECHNICAL PROVISIONS**

7        NEW SECTION.   **Sec. 501.**  (1) For the purposes of sections 201, 402,  
8 403, 406, 410 through 415, and 417 of this act, "department" and  
9 "department of community, trade, and economic development" mean the  
10 department of community development and "director" and "director of  
11 community, trade, and economic development" mean the director of  
12 community development.

13        (2) This section shall expire July 1, 1994.

14        NEW SECTION.   **Sec. 502.**  (1) Sections 1 and 201 of this act shall  
15 constitute a new chapter in Title 43 RCW.

16        (2) Sections 101 through 106 of this act shall constitute a new  
17 chapter in Title 50 RCW.

18        (3) Sections 301 through 306 of this act shall constitute a new  
19 chapter in Title 82 RCW.

20        (4) Sections 312 through 315 of this act shall constitute a new  
21 chapter in Title 82 RCW.

22        (5) Sections 413 and 414 of this act shall constitute a new chapter  
23 in Title 43 RCW.

24        NEW SECTION.   **Sec. 503.**  RCW 43.63A.700 and 43.63A.710 as amended  
25 by this act are each recodified as sections in the new chapter created  
26 by section 502(1) of this act.

27        NEW SECTION.   **Sec. 504.**  If any provision of this act or its  
28 application to any person or circumstance is held invalid, the  
29 remainder of the act or the application of the provision to other  
30 persons or circumstances is not affected.

31        NEW SECTION.   **Sec. 505.**  Part and subpart headings as used in this  
32 act do not constitute any part of the law.

1        NEW SECTION.    **Sec. 506.**    Sections 312 through 315 of this act shall  
2 take effect July 1, 1994.

3        NEW SECTION.    **Sec. 507.**    Sections 1, 201 through 203, 401 through  
4 417, and 501 of this act are necessary for the immediate preservation  
5 of the public peace, health, or safety, or support of the state  
6 government and its existing public institutions, and shall take effect  
7 immediately.

8        NEW SECTION.    **Sec. 508.**    (1) Sections 1 and 201 through 203 of this  
9 act may be known and cited as the community empowerment act.

10        (2) Sections 101 through 106 of this act may be known and cited as  
11 the youthbuild violence prevention act.

--- END ---