
HOUSE BILL 2194

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By Representatives Van Luven, Veloria, Dunn, Sheldon, Ballasiotes, Morris, McDonald, Mason, Ogden, Cooke and Reams

Read first time 02/26/97. Referred to Committee on Trade & Economic Development.

1 AN ACT Relating to the department of community, trade, and economic
2 development; amending RCW 43.330.020, 43.63A.021, 43.330.040,
3 43.330.050, 43.330.070, 43.330.125, 43.330.135, 43.63A.066, 43.63A.115,
4 43.63A.155, 43.63A.245, 43.63A.247, 43.63A.260, 43.63A.275, 43.63A.400,
5 43.63A.410, 43.63A.440, 43.63A.450, 43.63A.460, 43.63A.600, 43.330.152,
6 43.330.155, 43.330.156, 43.330.904, 43.63A.230, 43.330.065, 43.330.080,
7 43.31.057, 43.31.093, 43.31.205, 43.31.409, 43.31.422, 43.31.504,
8 43.31.522, 43.31.524, 43.31.641, 43.31.651, 43.31.830, 43.31.840,
9 43.31.960, 43.17.065, 19.02.050, 24.46.010, 28B.20.283, 28B.20.289,
10 28B.20.293, 28B.30.537, 28B.50.262, 28B.65.040, 28B.65.050, 28B.65.060,
11 28B.109.020, 28C.04.440, 28C.04.460, 28C.18.060, 36.01.120, 36.110.030,
12 43.07.360, 43.21A.510, 43.21A.515, 43.21A.612, 43.23.035, 43.160.020,
13 43.160.115, 43.160.180, 43.163.020, 43.163.120, 43.168.020, 43.168.031,
14 43.170.020, 43.172.011, 43.210.030, 43.210.050, 43.210.060, 43.210.070,
15 43.210.100, 43.210.110, 43.210.120, 50.67.030, 50.72.030, 67.16.100,
16 70.95.265, 70.95.810, 70.95H.007, 70.95H.050, 76.09.030, 76.56.020,
17 77.12.710, 81.80.450, 82.23B.020, 82.61.070, 88.12.275, 41.06.072,
18 43.06.115, 43.17.020, 43.143.040, 43.160.030, 43.163.060, 47.39.090,
19 47.76.230, 50.38.030, 80.50.030, 70.77.236, 70.77.270, 70.77.325,
20 70.77.355, 70.77.435, 70.77.440, and 70.77.450; reenacting and amending
21 RCW 41.06.070 and 43.17.010; reenacting RCW 70.77.250, 70.77.315,

1 70.77.375, and 70.77.455; adding new sections to chapter 43.330 RCW;
2 adding new sections to chapter 43.31 RCW; creating new sections;
3 recodifying RCW 43.63A.021, 43.63A.066, 43.63A.067, 43.63A.075,
4 43.63A.105, 43.63A.115, 43.63A.150, 43.63A.155, 43.63A.190, 43.63A.215,
5 43.63A.240, 43.63A.245, 43.63A.247, 43.63A.249, 43.63A.260, 43.63A.265,
6 43.63A.270, 43.63A.275, 43.63A.400, 43.63A.410, 43.63A.420, 43.63A.440,
7 43.63A.450, 43.63A.460, 43.63A.465, 43.63A.4651, 43.63A.470,
8 43.63A.475, 43.63A.480, 43.63A.485, 43.63A.490, 43.63A.500, 43.63A.510,
9 43.63A.550, 43.63A.600, 43.63A.610, 43.63A.620, 43.63A.630, 43.63A.640,
10 43.63A.650, 43.63A.660, 43.63A.670, 43.63A.680, 43.63A.690, 43.63A.700,
11 43.63A.710, 43.63A.720, 43.63A.725, 43.63A.730, 43.63A.735, 43.63A.740,
12 43.63A.900, 43.63A.901, 43.63A.902, 43.63A.903, 43.330.152, 43.330.155,
13 43.330.156, 43.63A.230, 43.330.060, 43.330.065, 43.330.080, 43.330.090,
14 and 43.330.140; repealing RCW 43.63A.220, 43.330.005, 43.330.007,
15 43.330.010, 43.330.900, and 43.31.800; providing an effective date;
16 providing an expiration date; and declaring an emergency.

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

18 NEW SECTION. **Sec. 1.** The department of community, trade, and
19 economic development was created in 1993 by dissolving the prior
20 department of community development and the prior department of trade
21 and economic development and transferring their responsibilities and
22 authorities to that newly created department. The purpose of this act
23 is to restructure the department of community, trade, and economic
24 development by: (1) Transferring its trade, business development,
25 tourism, and economic development responsibilities and authorities to
26 a newly created department of trade and economic development; and (2)
27 retaining its community development responsibilities with the
28 department, which is renamed as the department of community
29 development. It is the intent of the legislature that the newly
30 created department of trade and economic development exercise the
31 responsibilities and authorities of the prior department of trade and
32 economic development, along with several new economic development
33 responsibilities that were authorized for the department of community,
34 trade, and economic development after its creation. It is the intent
35 of the legislature that the department of community, trade, and
36 economic development, which is renamed as the department of community
37 development, retain the responsibilities and authorities of the prior

1 department of community development, along with several additional
2 community development responsibilities authorized for the department of
3 community, trade, and economic development after its creation.

4 NEW SECTION. **Sec. 2.** (1) On or before November 15, 1997, the
5 director of community, trade, and economic development shall submit a
6 plan to the governor for transferring the department's trade, business
7 development, tourism, and economic development responsibilities and
8 authorities to the newly created department of trade and economic
9 development, as provided in this act.

10 (2) The plan shall include, but is not limited to, the following
11 elements:

12 (a) Strategies for a smooth transfer of responsibilities and
13 authorities to the newly created department of trade and economic
14 development, including implementation steps, evaluation measures, and
15 benchmarks to measure the effectiveness of the implementation steps;

16 (b) Division of staff, supplies, equipment, and office space
17 between the newly created department of trade and economic development
18 and the department that is renamed as the department of community
19 development; and

20 (c) Recommendations for statutory changes for a more appropriate
21 division of responsibilities and authorities.

22 (3) In developing this plan, the director shall establish an
23 advisory committee composed of department staff and representatives of
24 groups using services and programs of the department, including
25 representatives of counties, cities, port districts, small and large
26 businesses, labor unions, associate development organizations, low-
27 income housing interests, housing industry, Indian tribes, community
28 action programs, public safety groups, nonprofit community and
29 development organizations, international trade organizations, minority
30 and women business organizations, and any other organizations the
31 director determines should have input to the plan.

32 (4) The director shall implement the plan, as approved by the
33 governor.

34 (5) Effective March 1, 1998, the department of trade and economic
35 development shall be created, the transfer of responsibilities and
36 authorities to this newly created department shall occur, and the
37 department of community, trade, and economic development shall be
38 renamed as the department of community development.

1 PART I

2 DEPARTMENT OF COMMUNITY DEVELOPMENT

3 Sec. 101. RCW 43.330.020 and 1993 c 280 s 4 are each amended to
4 read as follows:

5 ((A)) The department of community~~((, trade, and economic))~~
6 development is created. Except as provided in chapter . . . , Laws of
7 1997 (this act), the department shall be vested with all powers and
8 duties ((established or transferred to it under this chapter)) formerly
9 exercised by the prior department of community development, before its
10 merger with the prior department of trade and economic development into
11 the department of community, trade, and economic development by chapter
12 280, Laws of 1993, and such other powers and duties as may be
13 authorized by law. ((Unless otherwise specifically provided in chapter
14 280, Laws of 1993, the existing responsibilities and functions of the
15 agency programs will continue to be administered in accordance with
16 their implementing legislation.))

17 Sec. 102. RCW 43.63A.021 and 1995 c 226 s 11 are each amended to
18 read as follows:

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

21 (1) "Associate development organization" means a local economic
22 development nonprofit corporation that is broadly representative of
23 community interests.

24 (2) "Department" means the department of community development.

25 (3) "Director" means the director of community development.

26 (4) "Dislocated forest products worker" means a forest products
27 worker who: (a)(i) Has been terminated or received notice of
28 termination from employment and is unlikely to return to employment in
29 the individual's principal occupation or previous industry because of
30 a diminishing demand for his or her skills in that occupation or
31 industry; or (ii) is self-employed and has been displaced from his or
32 her business because of the diminishing demand for the business's
33 services or goods; and (b) at the time of last separation from
34 employment, resided in or was employed in a rural natural resources
35 impact area.

36 ((+2)) (5) "Forest products worker" means a worker in the forest
37 products industries affected by the reduction of forest fiber

1 enhancement, transportation, or production. The workers included
2 within this definition shall be determined by the employment security
3 department, but shall include workers employed in the industries
4 assigned the major group standard industrial classification codes "24"
5 and "26" and the industries involved in the harvesting and management
6 of logs, transportation of logs and wood products, processing of wood
7 products, and the manufacturing and distribution of wood processing and
8 logging equipment. The commissioner may adopt rules further
9 interpreting these definitions. For the purposes of this subsection,
10 "standard industrial classification code" means the code identified in
11 RCW 50.29.025(6)(c).

12 ~~((+3))~~ (6) "Dislocated salmon fishing worker" means a salmon
13 products worker who: (a)(i) Has been terminated or received notice of
14 termination from employment and is unlikely to return to employment in
15 the individual's principal occupation or previous industry because of
16 a diminishing demand for his or her skills in that occupation or
17 industry; or (ii) is self-employed and has been displaced from his or
18 her business because of the diminishing demand for the business's
19 services or goods; and (b) at the time of last separation from
20 employment, resided in or was employed in a rural natural resources
21 impact area.

22 ~~((+4))~~ (7) "Salmon fishing worker" means a worker in the salmon
23 industry affected by 1994 or future salmon disasters. The workers
24 included within this definition shall be determined by the employment
25 security department, but shall include workers employed in the
26 industries involved in the commercial and recreational harvesting of
27 salmon including buying and processing salmon. The commissioner may
28 adopt rules further interpreting these definitions.

29 **Sec. 103.** RCW 43.330.040 and 1993 c 280 s 6 are each amended to
30 read as follows:

31 (1) The director shall supervise and administer the activities of
32 the department and shall advise the governor and the legislature with
33 respect to community ~~((and economic))~~ development matters affecting the
34 state.

35 (2) In addition to other powers and duties granted to the director,
36 the director shall have the following powers and duties:

37 (a) Enter into contracts on behalf of the state to carry out the
38 purposes of this chapter;

1 (b) Act for the state in the initiation of or participation in any
2 multigovernmental program relative to the purpose of this chapter;

3 (c) Accept and expend gifts and grants, whether such grants be of
4 federal or other funds;

5 (d) Appoint ~~((such))~~ a deputy director~~((s,))~~ and assistant
6 directors~~((, and up to seven special assistants))~~ as may be needed to
7 administer the department. These employees are exempt from the
8 provisions of chapter 41.06 RCW;

9 (e) Prepare and submit budgets for the department for executive and
10 legislative action;

11 (f) Submit recommendations for legislative actions as are deemed
12 necessary to further the purposes of this chapter;

13 (g) Adopt rules in accordance with chapter 34.05 RCW and perform
14 all other functions necessary and proper to carry out the purposes of
15 this chapter;

16 (h) Delegate powers, duties, and functions as the director deems
17 necessary for efficient administration, but the director shall be
18 responsible for the official acts of the officers and employees of the
19 department; and

20 (i) Perform other duties as are necessary and consistent with law.

21 (3) When federal or other funds are received by the department,
22 they shall be promptly transferred to the state treasurer and
23 thereafter expended only upon the approval of the director.

24 (4) The director may request information and assistance from all
25 other agencies, departments, and officials of the state, and may
26 reimburse such agencies, departments, or officials if such a request
27 imposes any additional expenses upon any such agency, department, or
28 official.

29 (5) The director shall, in carrying out the responsibilities of
30 office, consult with governmental officials, private groups, and
31 individuals and with officials of other states. All state agencies and
32 their officials and the officials of any political subdivision of the
33 state shall cooperate with and give such assistance to the department,
34 including the submission of requested information, to allow the
35 department to carry out its purposes under this chapter.

36 (6) The director may establish additional advisory or coordinating
37 groups with the legislature, within state government, with state and
38 other governmental units, with the private sector and nonprofit

1 entities or in specialized subject areas as may be necessary to carry
2 out the purposes of this chapter.

3 (7) The internal affairs of the department shall be under the
4 control of the director in order that the director may manage the
5 department in a flexible and intelligent manner as dictated by changing
6 contemporary circumstances. Unless specifically limited by law, the
7 director shall have complete charge and supervisory powers over the
8 department. The director may create such administrative structures as
9 the director deems appropriate, except as otherwise specified by law,
10 and the director may employ such personnel as may be necessary in
11 accordance with chapter 41.06 RCW, except as otherwise provided by law.

12 **Sec. 104.** RCW 43.330.050 and 1993 c 280 s 7 are each amended to
13 read as follows:

14 The department shall be responsible for promoting community ((and
15 economic)) development within the state by assisting the state's
16 communities to increase the quality of life of their citizens and their
17 economic vitality, ((and by assisting the state's businesses to
18 maintain and increase their economic competitiveness,)) while
19 maintaining a healthy environment. Community ((and economic))
20 development efforts ((shall)) include((~~Efforts to increase economic~~
21 ~~opportunity~~)), but are not limited to, local planning to manage
22 growth((~~+~~)), the promotion and provision of affordable housing and
23 housing-related services((~~+~~)), providing public infrastructure((~~+~~
24 ~~business and trade development; assisting firms and industrial sectors~~
25 ~~to increase their competitiveness; fostering the development of~~
26 ~~minority and women owned businesses; facilitating technology~~
27 ~~development, transfer, and diffusion~~)), providing community services
28 and advocacy for low-income persons((~~+~~)), and public safety efforts.
29 The department shall have the following general functions and
30 responsibilities:

31 (1) Provide advisory assistance to the governor, other state
32 agencies, and the legislature on community ((and economic)) development
33 matters and issues;

34 (2) Assist the governor in coordinating the activities of state
35 agencies that have an impact on local government and communities;

36 (3) Cooperate with the legislature and the governor in the
37 development and implementation of strategic plans for the state's
38 community ((and economic)) development efforts;

1 (4) Solicit private and federal grants for ~~((economic and))~~
2 community development programs and administer such programs in
3 conjunction with other programs assigned to the department by the
4 governor or the legislature;

5 (5) Cooperate with and provide technical and financial assistance
6 to local governments(~~(, businesses,)~~) and community-based organizations
7 serving the communities of the state for the purpose of aiding and
8 encouraging orderly, productive, and coordinated community development
9 of the state, and, unless stipulated otherwise, give additional
10 consideration to local communities and ~~((individuals))~~ community-based
11 organizations with the greatest relative need and the fewest resources;

12 (6) Participate with other states or subdivisions thereof in
13 interstate programs and assist cities, towns, counties, municipal
14 corporations, governmental conferences or councils, and regional
15 planning commissions to participate with other states and provinces or
16 their subdivisions;

17 (7) Hold public hearings and meetings to carry out the purposes of
18 this chapter;

19 (8) Conduct research and analysis in furtherance of the state's
20 ~~((economic and))~~ community development efforts including maintenance of
21 current information on ~~((market, demographic, and economic trends as~~
22 ~~they affect different industrial sectors,))~~ geographic regions(~~(,)~~) and
23 communities with special economic and social problems in the state; and

24 (9) Develop a schedule of fees for services where appropriate.

25 **Sec. 105.** RCW 43.330.070 and 1993 c 280 s 10 are each amended to
26 read as follows:

27 (1) The department shall work closely with local communities to
28 increase their capacity to respond to economic, environmental, and
29 social problems and challenges. The department shall coordinate the
30 delivery of ~~((development services and))~~ related technical assistance
31 to local communities or regional areas(~~(. It shall promote~~
32 ~~partnerships between the public and private sectors and between state~~
33 ~~and local officials to encourage appropriate economic growth and~~
34 ~~opportunity in communities throughout the state. The department)) and
35 shall promote appropriate ~~((local))~~ community development by:
36 ~~((Supporting the ability of communities to develop and implement~~
37 ~~strategic development plans; assisting businesses to start up,~~
38 ~~maintain, or expand their operations;)) Encouraging public~~~~

1 infrastructure investment and private and public capital investment in
2 local communities(~~(τ)~~), supporting efforts to manage growth and provide
3 affordable housing and housing services(~~(τ)~~), and providing for the
4 identification and preservation of the state's historical and cultural
5 resources(~~(τ and expanding employment opportunities)~~).

6 (2) The department shall define a set of services including related
7 training and technical assistance that it will make available to local
8 communities, community-based nonprofit organizations, and regional
9 areas(~~(τ or businesses)~~). The department shall simplify access to
10 these programs by providing more centralized and user-friendly
11 information and referral. The department shall coordinate community
12 (~~and economic~~) development efforts to minimize program redundancy and
13 maximize accessibility. The department shall develop a set of criteria
14 for targeting services to local communities.

15 (3) The department shall develop a coordinated and systematic
16 approach to providing related training to community-based nonprofit
17 organizations, local communities, and (~~businesses~~) regional areas.
18 The approach shall be designed to increase the (~~economic and~~)
19 community development skills available in local communities by
20 providing training and funding for training for local citizens(~~(τ)~~) and
21 nonprofit organizations(~~(τ and businesses)~~). The department shall
22 emphasize providing training in those communities most in need of state
23 assistance.

24 **Sec. 106.** RCW 43.330.125 and 1995 c 347 s 430 are each amended to
25 read as follows:

26 The department (~~of community, trade, and economic development~~)
27 shall provide training and technical assistance to counties and cities
28 to assist them in fulfilling the requirements of chapter 36.70B RCW.

29 **Sec. 107.** RCW 43.330.135 and 1995 c 13 s 1 are each amended to
30 read as follows:

31 (1) The department (~~of community, trade, and economic~~
32 ~~development~~) shall distribute such funds as are appropriated for the
33 state-wide technical support, development, and enhancement of court-
34 appointed special advocate programs.

35 (2) In order to receive money under subsection (1) of this section,
36 an organization providing state-wide technical support, development,

1 and enhancement of court-appointed special advocate programs must meet
2 all of the following requirements:

3 (a) The organization must provide state-wide support, development,
4 and enhancement of court-appointed special advocate programs that offer
5 guardian ad litem services as provided in RCW 26.12.175, 26.44.053, and
6 13.34.100;

7 (b) All guardians ad litem working under court-appointed special
8 advocate programs supported, developed, or enhanced by the organization
9 must be volunteers and may not receive payment for services rendered
10 pursuant to the program. The organization may include paid positions
11 that are exclusively administrative in nature, in keeping with the
12 scope and purpose of this section; and

13 (c) The organization providing state-wide technical support,
14 development, and enhancement of court-appointed special advocate
15 programs must be a public benefit nonprofit corporation as defined in
16 RCW 24.03.490.

17 (3) If more than one organization is eligible to receive money
18 under this section, the department shall develop criteria for
19 allocation of appropriated money among the eligible organizations.

20 **Sec. 108.** RCW 43.63A.066 and 1993 c 280 s 58 are each amended to
21 read as follows:

22 The department (~~of community, trade, and economic development~~)
23 shall have primary responsibility for providing child abuse and neglect
24 prevention training to preschool age children participating in the
25 federal head start program or the early childhood education and
26 assistance program established under RCW 28A.215.010 through
27 28A.215.200 and 28A.215.900 through 28A.215.908.

28 **Sec. 109.** RCW 43.63A.115 and 1993 c 280 s 60 are each amended to
29 read as follows:

30 (1) The community action agency network, established initially
31 under the federal economic opportunity act of 1964 and subsequently
32 under the federal community services block grant program of 1981, as
33 amended, shall be a delivery system for federal and state anti-poverty
34 programs in this state, including but not limited to the community
35 services block grant program, the low-income energy assistance program,
36 and the federal department of energy weatherization program.

1 (2) Local community action agencies comprise the community action
2 agency network. The community action agency network shall serve low-
3 income persons in the counties. Each community action agency and its
4 service area shall be designated in the state federal community service
5 block grant plan as prepared by the department (~~of community, trade,
6 and economic development~~)).

7 (3) Funds for anti-poverty programs may be distributed to the
8 community action agencies by the department (~~of community, trade, and
9 economic development~~) and other state agencies in consultation with
10 the authorized representatives of community action agency networks.

11 **Sec. 110.** RCW 43.63A.155 and 1993 c 280 s 61 are each amended to
12 read as follows:

13 The department (~~of community, trade, and economic development~~)
14 shall retain the bond information it receives under RCW 39.44.210 and
15 39.44.230 and shall publish summaries of local government bond issues
16 at least once a year.

17 The department (~~of community, trade, and economic development~~)
18 shall adopt rules under chapter 34.05 RCW to implement RCW 39.44.210
19 and 39.44.230.

20 **Sec. 111.** RCW 43.63A.245 and 1993 c 280 s 64 are each amended to
21 read as follows:

22 Unless the context clearly requires otherwise, the definitions in
23 this section apply throughout RCW 43.63A.240 through 43.63A.270 (as
24 recodified by this act).

25 (1) "Agency" means one of the agencies or organizations
26 participating in the activities of the senior environmental corps.

27 (2) "Coordinator" means the person designated by the director (~~of
28 community, trade, and economic development~~) with the advice of the
29 council to administer the activities of the senior environmental corps.

30 (3) "Corps" means the senior environmental corps.

31 (4) "Council" means the senior environmental corps coordinating
32 council.

33 (~~"Department" means the department of community, trade, and
34 economic development.~~

35 ~~"Director" means the director of community, trade, and economic
36 development or the director's authorized representative.~~)

1 (5) "Representative" means the person who represents an agency on
2 the council and is responsible for the activities of the senior
3 environmental corps in his or her agency.

4 (6) "Senior" means any person who is fifty-five years of age or
5 over.

6 (7) "Volunteer" means a person who is willing to work without
7 expectation of salary or financial reward, and who chooses where he or
8 she provides services and the type of services he or she provides.

9 **Sec. 112.** RCW 43.63A.247 and 1994 c 264 s 25 are each amended to
10 read as follows:

11 The senior environmental corps is created within the department
12 (~~of community, trade, and economic development~~). The department
13 together with the departments of agriculture, (~~community, trade, and~~
14 ~~economic development, employment security,~~) ecology, fish and
15 wildlife, health, and natural resources, the employment security
16 department, the parks and recreation commission, and the Puget Sound
17 (~~water quality authority~~) action team shall participate in the
18 administration and implementation of the corps and shall appoint
19 representatives to the council.

20 **Sec. 113.** RCW 43.63A.260 and 1994 c 264 s 26 are each amended to
21 read as follows:

22 The department shall convene a senior environmental corps
23 coordinating council to meet as needed to establish and assess
24 policies, define standards for projects, evaluate and select projects,
25 develop recruitment, training, and placement procedures, receive and
26 review project status and completion reports, and provide for
27 recognition of volunteer activity. The council shall include
28 representatives appointed by the department, as well as the departments
29 of agriculture, (~~community, trade, and economic development,~~)
30 ecology, fish and wildlife, health, and natural resources, the parks
31 and recreation commission, and the Puget Sound (~~water quality~~
32 ~~authority~~) action team. The council shall develop bylaws, policies
33 and procedures to govern its activities.

34 The council shall advise the director on distribution of available
35 funding for corps activities.

1 **Sec. 114.** RCW 43.63A.275 and 1993 c 280 s 67 are each amended to
2 read as follows:

3 (1) Each biennium the department (~~((of community, trade, and~~
4 ~~economic development))~~) shall distribute such funds as are appropriated
5 for retired senior volunteer programs (RSVP) as follows:

6 (a) At least sixty-five percent of the moneys may be distributed
7 according to formulae and criteria to be determined by the department
8 (~~((of community, trade, and economic development))~~) in consultation with
9 the RSVP directors association.

10 (b) Up to twenty percent of the moneys may be distributed by
11 competitive grant process to develop RSVP projects in counties not
12 presently being served, or to expand existing RSVP services into
13 counties not presently served.

14 (c) Ten percent of the moneys may be used by the department (~~((of~~
15 ~~community, trade, and economic development))~~) for administration,
16 monitoring of the grants, and providing technical assistance to the
17 RSVP projects.

18 (d) Up to five percent of the moneys may be used to support
19 projects that will benefit RSVPs state-wide.

20 (2) Grants under subsection (1) of this section shall give priority
21 to programs in the areas of education, tutoring, English as a second
22 language, combating of and education on drug abuse, housing and
23 homeless, and respite care, and shall be distributed in accordance with
24 the following:

25 (a) None of the grant moneys may be used to displace any paid
26 employee in the area being served.

27 (b) Grants shall be made for programs that focus on:

28 (i) Developing new roles for senior volunteers in nonprofit and
29 public organizations with special emphasis on areas targeted in section
30 1, chapter 65, Laws of 1992. The roles shall reflect the diversity of
31 the local senior population and shall respect their life experiences;

32 (ii) Increasing the expertise of volunteer managers and RSVP
33 managers in the areas of communication, recruitment, motivation, and
34 retention of today's over-sixty population;

35 (iii) Increasing the number of senior citizens recruited, referred,
36 and placed with nonprofit and public organizations; and

37 (iv) Providing volunteer support such as: Mileage to and from the
38 volunteer assignment, recognition, and volunteer insurance.

1 **Sec. 115.** RCW 43.63A.400 and 1993 c 280 s 72 are each amended to
2 read as follows:

3 The department (~~of community, trade, and economic development~~)
4 shall distribute grants to eligible public radio and television
5 broadcast stations under RCW 43.63A.410 and 43.63A.420 (as recodified
6 by this act) to assist with programming, operations, and capital needs.

7 **Sec. 116.** RCW 43.63A.410 and 1993 c 280 s 73 are each amended to
8 read as follows:

9 (1) Eligibility for grants under this section shall be limited to
10 broadcast stations which are:

11 (a) Licensed to Washington state organizations, nonprofit
12 corporations, or other entities under section 73.621 of the regulations
13 of the federal communications commission; and

14 (b) Qualified to receive community service grants from the
15 federally chartered corporation for public broadcasting. Eligibility
16 shall be established as of February 28th of each year.

17 (2) The formula in this subsection shall be used to compute the
18 amount of each eligible station's grant under this section.

19 (a) Appropriations under this section shall be divided into a radio
20 fund, which shall be twenty-five percent of the total appropriation
21 under this section, and a television fund, which shall be seventy-five
22 percent of the total appropriation under this section. Each of the two
23 funds shall be divided into a base grant pool, which shall be fifty
24 percent of the fund, and an incentive grant pool, which shall be the
25 remaining fifty percent of the fund.

26 (b) Each eligible participating public radio station shall receive
27 an equal share of the radio base grant pool, plus a share of the radio
28 incentive grant pool equal to the proportion its nonfederal financial
29 support bears to the sum of all participating radio stations'
30 nonfederal financial support as most recently reported to the
31 corporation for public broadcasting.

32 (c) Each eligible participating public television station shall
33 receive an equal share of the television base grant pool, plus a share
34 of the television incentive grant pool equal to the proportion its
35 nonfederal financial support bears to the sum of all participating
36 television stations' nonfederal financial support as most recently
37 reported to the corporation for public broadcasting.

1 (3) Annual financial reports to the corporation for public
2 broadcasting by eligible stations shall also be submitted by the
3 stations to the department (~~of community, trade, and economic~~
4 ~~development~~)).

5 **Sec. 117.** RCW 43.63A.440 and 1995 c 226 s 13 are each amended to
6 read as follows:

7 The department (~~of community, trade, and economic development~~)
8 shall provide technical and financial assistance to communities
9 adversely impacted by reductions in timber harvested from federal,
10 state, and private lands and reduction of salmon fishing caused by
11 efforts to maintain the long-term viability of salmon stocks. This
12 assistance shall include the formation and implementation of community
13 economic development plans. The department (~~of community, trade, and~~
14 ~~economic development~~) shall utilize existing state technical and
15 financial assistance programs, and shall aid communities in seeking
16 private and federal financial assistance for the purposes of this
17 section. The department may contract for services provided for under
18 this section.

19 **Sec. 118.** RCW 43.63A.450 and 1993 c 280 s 75 are each amended to
20 read as follows:

21 The community diversification program is created in the department
22 (~~of community, trade, and economic development~~). The program shall
23 include:

24 (1) The monitoring and forecasting of shifts in the economic
25 prospects of major defense employers in the state. This shall include
26 but not be limited to the monitoring of defense contract expenditures,
27 other federal contracts, defense employment shifts, the aircraft and
28 aerospace industry, computer products, and electronics;

29 (2) The identification of cities, counties, or regions within the
30 state that are primarily dependent on defense or other federal
31 contracting and the identification of firms dependent on federal
32 defense contracts;

33 (3) Assistance to communities in broadening the local economic base
34 through the provision of management assistance, assistance in
35 financing, entrepreneurial training, and assistance to businesses in
36 using off-the-shelf technology to start new production processes or
37 introduce new products;

1 (4) Formulating a state plan for diversification in defense
2 dependent communities in collaboration with the employment security
3 department, the department of trade and economic development, and the
4 office of financial management. The plan shall use the information
5 made available through carrying out subsections (1) and (2) of this
6 section; and

7 (5) The identification of diversification efforts conducted by
8 other states, the federal government, and other nations, and the
9 provision of information on these efforts, as well as information
10 gained through carrying out subsections (1) and (2) of this section, to
11 firms, communities, and work forces that are defense dependent.

12 The department shall ~~((, beginning January 1, 1992,))~~ report
13 annually to the governor and the legislature on the activities of the
14 community diversification program.

15 **Sec. 119.** RCW 43.63A.460 and 1993 c 280 s 76 are each amended to
16 read as follows:

17 ~~((Beginning on July 1, 1991,))~~ The department ~~((of community,~~
18 ~~trade, and economic development))~~ shall be responsible for performing
19 all the consumer complaint and related functions of the state
20 administrative agency that are required for purposes of complying with
21 the regulations established by the federal department of housing and
22 urban development for manufactured housing, including the preparation
23 and submission of the state administrative plan.

24 The department ~~((of community, trade, and economic development))~~
25 may enter into state or local interagency agreements to coordinate site
26 inspection activities with record monitoring and complaint handling.
27 The interagency agreement may also provide for the reimbursement for
28 cost of work that an agency performs. The department may include other
29 related areas in any interagency agreements which are necessary for the
30 efficient provision of services.

31 ~~((The department of labor and industries shall transfer all~~
32 ~~records, files, books, and documents necessary for the department of~~
33 ~~community, trade, and economic development to assume these new~~
34 ~~functions.~~

35 ~~The directors of community, trade, and economic development and the~~
36 ~~department of labor and industries shall immediately take such steps as~~
37 ~~are necessary to ensure that this act is implemented on June 7, 1990.))~~

1 **Sec. 120.** RCW 43.63A.600 and 1995 c 226 s 12 are each amended to
2 read as follows:

3 (1) The department (~~(of community, trade, and economic~~
4 ~~development)~~), as a member of the agency rural community assistance
5 task force shall establish and administer the emergency mortgage and
6 rental assistance program. The department shall identify the
7 communities most adversely affected by reductions in timber and salmon
8 harvest levels and shall prioritize assistance under this program to
9 these communities. The department shall work with the department of
10 social and health services and the rural community assistance
11 (~~recovery~~) coordinator to develop the program in rural natural
12 resources impact areas. Organizations eligible to receive grant funds
13 for distribution under the program are those organizations that are
14 eligible to receive assistance through the Washington housing trust
15 fund. The department shall disburse the funds to eligible local
16 organizations as grants. The local organizations shall use the funds
17 to make grants or loans as specified in RCW 43.63A.600 through
18 43.63A.640 (as recodified by this act). If funds are disbursed as
19 loans, the local organization shall establish a revolving grant and
20 loan fund with funds received as loan repayments and shall continue to
21 make grants or loans or both grants and loans from funds received as
22 loan repayments to dislocated forest products and dislocated salmon
23 fishing workers eligible under the provisions of RCW 43.63A.600 through
24 43.63A.640 (as recodified by this act) and to other persons residing in
25 rural natural resources impact areas who meet the requirements of RCW
26 43.63A.600 through 43.63A.640 (as recodified by this act).

27 (2) The goals of the program are to:

28 (a) Provide temporary emergency mortgage loans or rental assistance
29 grants or loans on behalf of dislocated forest products and dislocated
30 salmon fishing workers in rural natural resources impact areas who are
31 unable to make mortgage, property tax, or rental payments on their
32 permanent residences and are subject to immediate eviction for
33 nonpayment of mortgage installments, property taxes, or nonpayment of
34 rent;

35 (b) Prevent the dislocation of individuals and families from their
36 permanent residences and their communities; and

37 (c) Maintain economic and social stability in rural natural
38 resources impact areas.

1 **Sec. 121.** RCW 43.330.152 and 1994 c 284 s 2 are each amended to
2 read as follows:

3 In order to extend its services and programs, the department may
4 charge reasonable fees for services and products provided in the areas
5 of financial assistance, housing, (~~international trade,~~) community
6 assistance, (~~economic development,~~) and other service delivery areas,
7 except as otherwise provided. These fees are not intended to exceed
8 the costs of providing the service or preparing and distributing the
9 product.

10 **Sec. 122.** RCW 43.330.155 and 1994 c 284 s 4 are each amended to
11 read as follows:

12 The community (~~and economic~~) development fee account is created
13 in the state treasury. The department may create subaccounts as
14 necessary. The account consists of all receipts from fees charged by
15 the department under RCW 43.330.150(~~)~~ and 43.330.152(~~,—and~~
16 ~~43.210.110~~) (as recodified by this act). Expenditures from the
17 account may be used only for the purposes of this chapter. Only the
18 director or the director's designee may authorize expenditures from the
19 account. Expenditures from the account may be spent only after
20 appropriation.

21 **Sec. 123.** RCW 43.330.156 and 1994 c 284 s 8 are each amended to
22 read as follows:

23 The fees authorized under RCW 43.330.150(~~)~~ and 43.330.152(~~,—~~
24 ~~70.95H.040, and 43.210.110~~) (as recodified by this act) shall be
25 adopted by rule pursuant to chapter 34.05 RCW.

26 **Sec. 124.** RCW 43.330.904 and 1996 c 186 s 101 are each amended to
27 read as follows:

28 (1) All powers, duties, and functions of the state energy office
29 relating to energy resource policy and planning and energy facility
30 siting are transferred to the department (~~of community, trade, and~~
31 ~~economic development~~). All references to the director or the state
32 energy office in the Revised Code of Washington shall be construed to
33 mean the director or the department (~~of community, trade, and economic~~
34 ~~development~~) when referring to the functions transferred in this
35 section.

1 The director shall appoint an assistant director for energy policy,
2 and energy policy staff shall have no additional responsibilities
3 beyond activities concerning energy policy.

4 (2)(a) All reports, documents, surveys, books, records, files,
5 papers, or written material in the possession of the state energy
6 office pertaining to the powers, functions, and duties transferred
7 shall be delivered to the custody of the department (~~of community,~~
8 ~~trade, and economic development~~). All cabinets, furniture, office
9 equipment, software, data base, motor vehicles, and other tangible
10 property employed by the state energy office in carrying out the
11 powers, functions, and duties transferred shall be made available to
12 the department (~~of community, trade, and economic development~~).

13 (b) Any appropriations made to the state energy office for carrying
14 out the powers, functions, and duties transferred (~~shall, on July 1,~~
15 ~~1996, be~~) are transferred and credited to the department (~~of~~
16 ~~community, trade, and economic development~~).

17 (c) Whenever any question arises as to the transfer of any funds,
18 books, documents, records, papers, files, software, data base,
19 equipment, or other tangible property used or held in the exercise of
20 the powers and the performance of the duties and functions transferred,
21 the director of financial management shall make a determination as to
22 the proper allocation and certify the same to the state agencies
23 concerned.

24 (3) All employees of the state energy office engaged in performing
25 the powers, functions, and duties pertaining to the energy facility
26 site evaluation council are transferred to the jurisdiction of the
27 department (~~of community, trade, and economic development~~). All
28 employees engaged in energy facility site evaluation council duties
29 classified under chapter 41.06 RCW, the state civil service law, are
30 assigned to the department (~~of community, trade, and economic~~
31 ~~development~~) to perform their usual duties upon the same terms as
32 formerly, without any loss of rights, subject to any action that may be
33 appropriate thereafter in accordance with the laws and rules governing
34 state civil service.

35 (4) All rules and all pending business before the state energy
36 office pertaining to the powers, functions, and duties transferred
37 shall be continued and acted upon by the department (~~of community,~~
38 ~~trade, and economic development~~). All existing contracts and

1 obligations shall remain in full force and shall be performed by the
2 department ((of community, trade, and economic development)).

3 (5) The transfer of the powers, duties, and functions of the state
4 energy office does not affect the validity of any act performed before
5 July 1, 1996.

6 (6) If apportionments of budgeted funds are required because of the
7 transfers directed by this section, the director of the office of
8 financial management shall certify the apportionments to the agencies
9 affected, the state auditor, and the state treasurer. Each of these
10 shall make the appropriate transfer and adjustments in funds and
11 appropriation.

12 (7) The department ((of community, trade, and economic
13 development)) shall direct the closure of the financial records of the
14 state energy office.

15 (8) Responsibility for implementing energy education, applied
16 research, and technology transfer programs rests with Washington State
17 University. The department ((of community, trade, and economic
18 development)) shall provide Washington State University available
19 existing and future oil overcharge restitution and federal energy block
20 funding for a minimum period of five years to carry out energy programs
21 under an interagency agreement with the department ((of community,
22 trade, and economic development)). The interagency agreement shall
23 also outline the working relationship between the department ((of
24 community, trade, and economic development)) and Washington State
25 University as it pertains to the relationship between energy policy
26 development and public outreach. Nothing in chapter 186, Laws of 1996
27 prohibits Washington State University from seeking grant, contract, or
28 fee-for-service funding for energy or related programs directly from
29 other entities.

30 NEW SECTION. **Sec. 125.** A new section is added to chapter 43.330
31 RCW to read as follows:

32 All references to the director or department of community, trade,
33 and economic development in the Revised Code of Washington shall be
34 construed to mean the director of community development or the
35 department of community development.

36 NEW SECTION. **Sec. 126.** The following acts or parts of acts are
37 each repealed:

- 1 (1) RCW 43.63A.220 and 1993 c 280 s 62, 1987 c 505 s 34, & 1985 c
2 263 s 2;
3 (2) RCW 43.330.005 and 1993 c 280 s 1;
4 (3) RCW 43.330.007 and 1993 c 280 s 2;
5 (4) RCW 43.330.010 and 1993 c 280 s 3; and
6 (5) RCW 43.330.900 and 1993 c 280 s 79.

7 NEW SECTION. **Sec. 127.** The following are each recodified as new
8 sections in chapter 43.330 RCW:

- 9 RCW 43.63A.021
10 RCW 43.63A.066
11 RCW 43.63A.067
12 RCW 43.63A.075
13 RCW 43.63A.105
14 RCW 43.63A.115
15 RCW 43.63A.150
16 RCW 43.63A.155
17 RCW 43.63A.190
18 RCW 43.63A.215
19 RCW 43.63A.240
20 RCW 43.63A.245
21 RCW 43.63A.247
22 RCW 43.63A.249
23 RCW 43.63A.260
24 RCW 43.63A.265
25 RCW 43.63A.270
26 RCW 43.63A.275
27 RCW 43.63A.400
28 RCW 43.63A.410
29 RCW 43.63A.420
30 RCW 43.63A.440
31 RCW 43.63A.450
32 RCW 43.63A.460
33 RCW 43.63A.465
34 RCW 43.63A.4651
35 RCW 43.63A.470
36 RCW 43.63A.475
37 RCW 43.63A.480
38 RCW 43.63A.485

1 RCW 43.63A.490
2 RCW 43.63A.500
3 RCW 43.63A.510
4 RCW 43.63A.550
5 RCW 43.63A.600
6 RCW 43.63A.610
7 RCW 43.63A.620
8 RCW 43.63A.630
9 RCW 43.63A.640
10 RCW 43.63A.650
11 RCW 43.63A.660
12 RCW 43.63A.670
13 RCW 43.63A.680
14 RCW 43.63A.690
15 RCW 43.63A.700
16 RCW 43.63A.710
17 RCW 43.63A.720
18 RCW 43.63A.725
19 RCW 43.63A.730
20 RCW 43.63A.735
21 RCW 43.63A.740
22 RCW 43.63A.900
23 RCW 43.63A.901
24 RCW 43.63A.902
25 RCW 43.63A.903

26 NEW SECTION. **Sec. 128.** The following sections are recodified in
27 chapter 43.330 RCW near the end of the chapter:

28 RCW 43.330.152
29 RCW 43.330.155
30 RCW 43.330.156

31 NEW SECTION. **Sec. 129.** The code reviser shall insert notes
32 following all sections containing references to the department of
33 community, trade, and economic development indicating that this agency
34 is now referred to as the department of community development.

35 **PART II**
36 **DEPARTMENT OF TRADE AND ECONOMIC DEVELOPMENT**

1 NEW SECTION. **Sec. 201.** The department of trade and economic
2 development is created. Except as provided in this act, the department
3 shall be vested with all powers and duties formerly exercised by the
4 prior department of trade and economic development, before its merger
5 with the prior department of community development into the department
6 of community, trade, and economic development by chapter 280, Laws of
7 1993, and such other powers and duties as may be authorized by law.

8 NEW SECTION. **Sec. 202.** Unless the context clearly requires
9 otherwise, the definitions in this section apply throughout this
10 chapter.

11 (1) "Department" means the department of trade and economic
12 development.

13 (2) "Director" means the director of trade and economic
14 development.

15 NEW SECTION. **Sec. 203.** (1) The director shall supervise and
16 administer the activities of the department and shall advise the
17 governor and the legislature with respect to economic development
18 matters affecting the state.

19 (2) In addition to other powers and duties granted to the director,
20 the director shall have the following powers and duties:

21 (a) To enter into contracts on behalf of the state to carry out the
22 purposes of this chapter;

23 (b) To act for the state in the initiation of or participation in
24 any multigovernmental program relative to the purpose of this chapter;

25 (c) To accept and expend gifts and grants, whether such grants be
26 of federal or other funds;

27 (d) To appoint a deputy director and assistant directors as may be
28 needed to administer the department. These employees are exempt from
29 the provisions of chapter 41.06 RCW;

30 (e) To prepare and submit budgets for the department for executive
31 and legislative action;

32 (f) To submit recommendations for legislative actions as are deemed
33 necessary to further the purposes of this chapter;

34 (g) To adopt rules in accordance with chapter 34.05 RCW and perform
35 all other functions necessary and proper to carry out the purposes of
36 this chapter;

1 (h) To delegate powers, duties, and functions as the director deems
2 necessary for efficient administration, but the director shall be
3 responsible for the official acts of the officers and employees of the
4 department; and

5 (i) To perform other duties as are necessary and consistent with
6 law.

7 (3) When federal or other funds are received by the department,
8 they shall be promptly transferred to the state treasurer and
9 thereafter expended only upon the approval of the director.

10 (4) The director may request information and assistance from all
11 other agencies, departments, and officials of the state, and may
12 reimburse such agencies, departments, or officials if such a request
13 imposes any additional expenses upon any such agency, department, or
14 official.

15 (5) The director shall, in carrying out the responsibilities of
16 office, consult with governmental officials, private groups, and
17 individuals and with officials of other states. All state agencies and
18 their officials and the officials of any political subdivision of the
19 state shall cooperate with and give such assistance to the department,
20 including the submission of requested information, to allow the
21 department to carry out its purposes under this chapter.

22 (6) The director may establish additional advisory or coordinating
23 groups with the legislature, within state government, with state and
24 other governmental units, with the private sector and nonprofit
25 entities or in specialized subject areas as may be necessary to carry
26 out the purposes of this chapter.

27 (7) The internal affairs of the department shall be under the
28 control of the director in order that the director may manage the
29 department in a flexible and intelligent manner as dictated by changing
30 contemporary circumstances. Unless specifically limited by law, the
31 director shall have complete charge and supervisory powers over the
32 department. The director may create such administrative structures as
33 the director deems appropriate, except as otherwise specified by law,
34 and the director may employ such personnel as may be necessary in
35 accordance with chapter 41.06 RCW, except as otherwise provided by law.

36 NEW SECTION. **Sec. 204.** The department shall be responsible for
37 promoting economic development within the state by assisting the
38 state's communities to increase the quality of life and their economic

1 vitality, while maintaining a quality environment. Economic
2 development efforts include, but are not limited to, efforts to
3 increase economic opportunities, business and trade development,
4 assisting firms and industrial sectors to increase their
5 competitiveness, fostering the development of minority and women-owned
6 businesses, and facilitating the development, transfer, and diffusion
7 of technology.

8 NEW SECTION. **Sec. 205.** (1) The department shall work closely with
9 local communities to increase their capacity to respond to economic
10 problems and challenges. The department shall coordinate the delivery
11 of development services and related technical assistance to local
12 communities or regional areas. It shall promote partnerships between
13 the public and private sectors and between state and local officials to
14 encourage appropriate economic growth and opportunity in communities
15 throughout the state and shall promote appropriate local economic
16 development by supporting the ability of communities to develop and
17 implement strategic development plans, assisting businesses to start
18 up, maintain, or expand their operations, and expanding employment
19 opportunities.

20 (2) The department shall define a set of services including related
21 training and technical assistance that it will make available to local
22 communities, community-based nonprofit organizations, regional areas,
23 or businesses. The department shall simplify access to these programs
24 by providing more centralized and user-friendly information and
25 referral. The department shall coordinate economic development efforts
26 to minimize program redundancy and maximize accessibility. The
27 department shall develop a set of criteria for targeting services to
28 local communities.

29 (3) The department shall develop a coordinated and systematic
30 approach to providing related training to community-based nonprofit
31 organizations, local communities, and businesses. The approach shall
32 be designed to increase the economic development skills available in
33 local communities by providing training and funding for training for
34 local citizens, nonprofit organizations, and businesses. The
35 department shall emphasize providing training in those communities most
36 in need of state assistance.

1 **Sec. 206.** RCW 43.63A.230 and 1993 c 280 s 63 are each amended to
2 read as follows:

3 (1) The department (~~(of community, trade, and economic~~
4 ~~development)~~) shall integrate an employee ownership program within its
5 existing technical assistance programs. The employee ownership program
6 shall provide technical assistance to cooperatives authorized under
7 chapter 23.78 RCW and conduct educational programs on employee
8 ownership and self-management. The department shall include
9 information on the option of employee ownership wherever appropriate in
10 its various programs.

11 (2) The department shall maintain a list of firms and individuals
12 with expertise in the field of employee ownership and utilize such
13 firms and individuals, as appropriate, in delivering and coordinating
14 the delivery of technical, managerial, and educational services. In
15 addition, the department shall work with and rely on the services of
16 the department of community development, the employment security
17 department, and state institutions of higher education to promote
18 employee ownership.

19 (3) The department shall report to the governor, the appropriate
20 economic development committees of the senate and the house of
21 representatives, and the ways and means committees of each house by
22 December 1st of (~~1988, and~~) each year (~~thereafter,~~) on the
23 accomplishments of the employee-ownership program. Such reports shall
24 include the number and types of firms assisted, the number of jobs
25 created by such firms, the types of services, the number of workshops
26 presented, the number of employees trained, and the results of client
27 satisfaction surveys distributed to those using the services of the
28 program.

29 (4) For purposes of this section, an employee stock ownership plan
30 qualifies as a cooperative if at least fifty percent, plus one share,
31 of its voting shares of stock are voted on a one-person-one-vote basis.

32 **Sec. 207.** RCW 43.330.065 and 1996 c 253 s 303 are each amended to
33 read as follows:

34 The department (~~(of community, trade, and economic development)~~),
35 in consultation with the office of protocol, the office of the
36 secretary of state, the department of agriculture, and the employment
37 security department shall identify up to fifteen countries that are of

1 strategic importance to the development of Washington's international
2 trade relations.

3 **Sec. 208.** RCW 43.330.080 and 1993 c 280 s 11 are each amended to
4 read as follows:

5 (1) The department ((may)) shall contract with associate
6 development organizations or other local organizations to increase the
7 support for and coordination of ((community and)) economic development
8 services in communities or regional areas. The organizations
9 contracted with in each community or regional area shall be broadly
10 representative of community and economic interests. The organization
11 shall be capable of identifying key economic ((and community))
12 development problems, developing appropriate solutions, and mobilizing
13 broad support for recommended initiatives. The contracting
14 organization shall work with and include local governments, local
15 chambers of commerce, private industry councils, port districts, labor
16 groups, institutions of higher education, community action programs,
17 and other appropriate private, public, or nonprofit ((community and))
18 economic development groups. The department shall be responsible for
19 determining the scope of services delivered under these contracts.

20 (2) Associate development organizations or other local development
21 organizations contracted with shall promote and coordinate, through
22 local service agreements with local governments, small business
23 development centers, port districts, community and technical colleges,
24 private industry councils, and other development organizations, for the
25 efficient delivery of ((community and)) economic development services
26 in their areas.

27 (3) The department shall consult with associate development
28 organizations, port districts, local governments, and other local
29 development organizations in the establishment of service delivery
30 regions throughout the state. The legislature encourages local
31 associate development organizations to form partnerships with other
32 associate development organizations in their region to combine
33 resources for better access to available services, to encourage
34 regional delivery of state services, and to build the local capacity of
35 communities in the region more effectively.

36 (4) The department shall contract on a regional basis for surveys
37 of key sectors of the regional economy and the coordination of
38 technical assistance to businesses and employees within the key

1 sectors. The department's selection of contracting organizations or
2 consortiums shall be based on the sufficiency of the organization's or
3 consortium's proposal to examine key sectors of the local economy
4 within its region adequately and its ability to coordinate the delivery
5 of services required by businesses within the targeted sectors.
6 Organizations contracting with the department shall work closely with
7 the department to examine the local economy and to develop strategies
8 to focus on developing key sectors that show potential for long-term
9 sustainable growth. The contracting organization shall survey
10 businesses and employees in targeted sectors on a periodic basis to
11 gather information on the sector's business needs, expansion plans,
12 relocation decisions, training needs, potential layoffs, financing
13 needs, availability of financing, and other appropriate information
14 about economic trends and specific employer and employee needs in the
15 region.

16 (5) The contracting organization shall participate with the work
17 force training and education coordinating board as created in chapter
18 28C.18 RCW, and any regional entities designated by that board, in
19 providing for the coordination of job skills training within its
20 region.

21 **Sec. 209.** RCW 43.31.057 and 1993 c 280 s 39 are each amended to
22 read as follows:

23 The department (~~(of community, trade, and economic development)~~) is
24 directed to develop and promote means to stimulate the expansion of the
25 market for Washington products and shall have the following powers and
26 duties:

27 (1) To develop a pamphlet for state-wide circulation which will
28 encourage the purchase of items produced in the state of Washington;

29 (2) To include in the pamphlet a listing of products of Washington
30 companies which individuals can examine when making purchases so they
31 may have the opportunity to select one of those products in support of
32 this program;

33 (3) To distribute the pamphlets on the broadest possible basis
34 through local offices of state agencies, business organizations,
35 chambers of commerce, or any other means the department deems
36 appropriate;

1 (4) In carrying out these powers and duties the department shall
2 cooperate and coordinate with other agencies of government and the
3 private sector.

4 **Sec. 210.** RCW 43.31.093 and 1995 c 399 s 71 are each amended to
5 read as follows:

6 The department (~~(of community, trade, and economic development)~~)
7 shall contract with public and private agencies, institutions, and
8 organizations to conduct entrepreneurial training courses for minority
9 and women-owned small businesses. The instruction shall be intensive,
10 practical training courses in financing, marketing, managing,
11 accounting, and recordkeeping for a small business, with an emphasis on
12 federal, state, local, or private programs available to assist small
13 businesses. The (~~(business assistance center)~~) department may
14 recommend professional instructors, with practical knowledge and
15 experience on how to start and operate a business, to teach the
16 courses. Instruction shall be offered in major population centers
17 throughout the state at times and locations which are convenient for
18 minority and women small business owners and entrepreneurs.

19 **Sec. 211.** RCW 43.31.205 and 1993 c 280 s 41 are each amended to
20 read as follows:

21 In an effort to enhance the economy of the Tri-Cities area, the
22 department (~~(of community, trade, and economic development)~~) is
23 directed to promote the existence of the lease between the state of
24 Washington and the federal government executed September 10, 1964,
25 covering one thousand acres of land lying within the Hanford
26 reservation near Richland, Washington, and the opportunity of
27 subleasing the land to entities for nuclear-related industry, in
28 agreement with the terms of the lease. When promoting the existence of
29 the lease, the department shall work in cooperation with any associate
30 development organization located in or near the Tri-Cities area.

31 **Sec. 212.** RCW 43.31.409 and 1993 c 280 s 42 are each amended to
32 read as follows:

33 (~~(There is created in the business assistance center of the~~
34 ~~department of community, trade, and economic development)~~) The
35 Washington investment opportunities office is created in the
36 department.

1 **Sec. 213.** RCW 43.31.422 and 1993 c 280 s 44 are each amended to
2 read as follows:

3 The Hanford area economic investment fund is established in the
4 custody of the state treasurer. Moneys in the fund shall only be used
5 pursuant to the recommendations of the committee created in RCW
6 43.31.425 and the approval of the director (~~(of community, trade, and~~
7 ~~economic development)~~) for Hanford area revolving loan funds, Hanford
8 area infrastructure projects, or other Hanford area economic
9 development and diversification projects, but may not be used for
10 government or nonprofit organization operating expenses. Up to five
11 percent of moneys in the fund may be used for program administration.
12 For the purpose of this chapter "Hanford area" means Benton and
13 Franklin counties. Disbursements from the fund shall be on the
14 authorization of the director (~~(of community, trade, and economic~~
15 ~~development)~~) or the director's designee after an affirmative vote of
16 at least six members of the committee created in RCW 43.31.425 on any
17 recommendations by the committee created in RCW 43.31.425. The fund is
18 subject to the allotment procedures under chapter 43.88 RCW, but no
19 appropriation is required for disbursements. The legislature intends
20 to establish similar economic investment funds for areas that develop
21 low-level radioactive waste disposal facilities.

22 **Sec. 214.** RCW 43.31.504 and 1993 c 280 s 45 are each amended to
23 read as follows:

24 The child care facility fund committee is established within the
25 (~~(business assistance center of the)~~) department (~~(of community, trade,~~
26 ~~and economic development)~~). The committee shall administer the child
27 care facility fund, with review by the director (~~(of community, trade,~~
28 ~~and economic development)~~).

29 (1) The committee shall have five members. The director of
30 community, trade, and economic development shall appoint the members,
31 who shall include:

32 (a) Two persons experienced in investment finance and having skills
33 in providing capital to new businesses, in starting and operating
34 businesses, and providing professional services to small or expanding
35 businesses;

36 (b) One person representing a philanthropic organization with
37 experience in evaluating funding requests;

38 (c) One child care services expert; and

1 (d) One early childhood development expert.

2 In making these appointments, the director shall give careful
3 consideration to ensure that the various geographic regions of the
4 state are represented and that members will be available for meetings
5 and are committed to working cooperatively to address child care needs
6 in Washington state.

7 (2) The committee shall elect officers from among its membership
8 and shall adopt policies and procedures specifying the lengths of
9 terms, methods for filling vacancies, and other matters necessary to
10 the ongoing functioning of the committee.

11 (3) Committee members shall serve without compensation, but may
12 request reimbursement for travel expenses as provided in RCW 43.03.050
13 and 43.03.060.

14 (4) Committee members shall not be liable to the state, to the
15 child care facility fund, or to any other person as a result of their
16 activities, whether ministerial or discretionary, as members except for
17 willful dishonesty or intentional violation of the law. The department
18 (~~of community, trade, and economic development~~) may purchase
19 liability insurance for members and may indemnify these persons against
20 the claims of others.

21 **Sec. 215.** RCW 43.31.522 and 1993 c 280 s 46 are each amended to
22 read as follows:

23 (~~Unless the context clearly requires otherwise, the definitions in~~
24 ~~this section apply throughout~~) As used in RCW 43.31.524 and
25 43.31.526(~~(~~

26 ~~(1) "Department" means the department of community, trade, and~~
27 ~~economic development.~~

28 ~~(2) "Center" means the business assistance center established under~~
29 ~~RCW 43.31.083.~~

30 ~~(3) "Director" means the director of community, trade, and economic~~
31 ~~development.~~

32 ~~(4))~~ "local nonprofit organization" means a local nonprofit
33 organization organized to provide economic development or community
34 development services, including but not limited to associate
35 development organizations, economic development councils, and community
36 development corporations.

1 **Sec. 216.** RCW 43.31.524 and 1993 c 280 s 47 are each amended to
2 read as follows:

3 There is established a Washington marketplace program within the
4 (~~business assistance center established under RCW 43.31.083~~)
5 department. The program shall assist businesses to competitively meet
6 their needs for goods and services within Washington state by providing
7 information relating to the replacement of imports or the fulfillment
8 of new requirements with Washington products produced in Washington
9 state. The program shall place special emphasis on strengthening rural
10 economies in economically distressed areas of the state meeting the
11 criteria of an "eligible area" as defined in RCW 82.60.020(3).

12 **Sec. 217.** RCW 43.31.641 and 1995 c 226 s 4 are each amended to
13 read as follows:

14 The department (~~of community, trade, and economic development~~),
15 as a member of the agency rural community assistance task force, shall:

16 (1) Implement an expanded value-added forest products development
17 industrial extension program. The department shall provide technical
18 assistance to small and medium-sized forest products companies to
19 include:

20 (a) Secondary manufacturing product development;

21 (b) Plant and equipment maintenance;

22 (c) Identification and development of domestic market
23 opportunities;

24 (d) Building products export development assistance;

25 (e) At-risk business development assistance;

26 (f) Business network development; and

27 (g) Timber impact area industrial diversification.

28 (2) Provide local contracts for small and medium-sized forest
29 product companies, start-ups, and business organizations for business
30 feasibility, market development, and business network contracts that
31 will benefit value-added production efforts in the industry.

32 (3) Contract with local business organizations in timber impact
33 areas for development of programs to promote industrial
34 diversification. The department shall provide local capacity-building
35 grants to local governments and community-based organizations in timber
36 impact areas, which may include long-range planning and needs
37 assessments.

1 (~~For the 1991-93 biennium, the department of community, trade, and~~
2 ~~economic development shall use funds appropriated for this section for~~
3 ~~contracts and for no more than two additional staff positions.~~)

4 **Sec. 218.** RCW 43.31.651 and 1995 c 226 s 10 are each amended to
5 read as follows:

6 The department (~~of community, trade, and economic development~~) as
7 a part of the agency rural community assistance task force shall
8 implement a community assistance program to enable communities to build
9 local capacity for sustainable economic development efforts. The
10 program shall provide resources and technical assistance to rural
11 natural resources impact areas.

12 **Sec. 219.** RCW 43.31.830 and 1993 c 280 s 53 are each amended to
13 read as follows:

14 (1) It shall be the duty of the director (~~of community, trade, and~~
15 ~~economic development~~) to certify, from the applications received, the
16 state international trade fair or fairs qualified and entitled to
17 receive funds under RCW 67.16.100, and under rules established by the
18 director.

19 (2) The director shall make annual allotments to state
20 international trade fairs determined qualified to be entitled to
21 participate in the state trade fair fund and shall fix times for the
22 division of and payment from the state trade fair fund: PROVIDED, That
23 total payment to any one state international trade fair shall not
24 exceed sixty thousand dollars in any one year, where participation or
25 presentation occurs within the United States, and eighty thousand
26 dollars in any one year, where participation or presentation occurs
27 outside the United States: PROVIDED FURTHER, That a state
28 international trade fair may qualify for the full allotment of funds
29 under either category. Upon certification of the allotment and
30 division of fair funds by the director the treasurer shall proceed to
31 pay the same to carry out the purposes of RCW 67.16.100.

32 **Sec. 220.** RCW 43.31.840 and 1993 c 280 s 54 are each amended to
33 read as follows:

34 The director (~~of community, trade, and economic development~~)
35 shall at the end of each year for which an annual allotment has been
36 made, conduct a post audit of all of the books and records of each

1 state international trade fair participating in the state trade fair
2 fund. The purpose of such post audit shall be to determine how and to
3 what extent each participating state international trade fair has
4 expended all of its funds.

5 The audit required by this section shall be a condition to future
6 allotments of money from the state international trade fair fund, and
7 the director shall make a report of the findings of each post audit and
8 shall use such report as a consideration in an application for any
9 future allocations.

10 **Sec. 221.** RCW 43.31.960 and 1995 c 399 s 72 are each amended to
11 read as follows:

12 The principal proceeds from the sale of the bonds authorized in RCW
13 43.31.956 shall be administered by the director (~~(of community, trade,~~
14 ~~and economic development)~~).

15 NEW SECTION. **Sec. 222.** In order to extend its services and
16 programs, the department may charge reasonable fees for services and
17 products provided in the areas of financial assistance, international
18 trade, economic development, and other service delivery areas, except
19 as otherwise provided. These fees are not intended to exceed the costs
20 of providing the service or preparing and distributing the product.

21 NEW SECTION. **Sec. 223.** The economic development fee account is
22 created in the state treasury. The department may create subaccounts
23 as necessary. The account consists of all receipts from fees charged
24 by the department under RCW 43.210.110. Expenditures from the account
25 may be used only for the purposes of this chapter. Only the director
26 or the director's designee may authorize expenditures from the account.
27 Expenditures from the account may be spent only after appropriation.

28 NEW SECTION. **Sec. 224.** The fees authorized under RCW 70.95H.040
29 and 43.210.110 shall be adopted by rule pursuant to chapter 34.05 RCW.

30 NEW SECTION. **Sec. 225.** RCW 43.31.800 and 1993 c 280 s 52, 1987 c
31 195 s 4, & 1965 c 148 s 2 are each repealed.

32 NEW SECTION. **Sec. 226.** The following sections are each recodified
33 as new sections in chapter 43.31 RCW:

1 RCW 43.63A.230
2 RCW 43.330.060
3 RCW 43.330.065
4 RCW 43.330.080
5 RCW 43.330.090
6 RCW 43.330.140

7 **PART III**
8 **REFERENCES TO DEPARTMENT OF**
9 **TRADE AND ECONOMIC DEVELOPMENT**

10 **Sec. 301.** RCW 43.17.065 and 1995 c 226 s 24 are each amended to
11 read as follows:

12 (1) Where power is vested in a department to issue permits,
13 licenses, certifications, contracts, grants, or otherwise authorize
14 action on the part of individuals, businesses, local governments, or
15 public or private organizations, such power shall be exercised in an
16 expeditious manner. All departments with such power shall cooperate
17 with officials of the ((~~business assistance center of the~~)) department
18 of ((~~community,~~)) trade((~~,~~)) and economic development, and any other
19 state officials, when such officials request timely action on the part
20 of the issuing department.

21 (2) ((~~After August 1, 1991,~~)) Any agency to which subsection (1) of
22 this section applies shall, with regard to any permits or other actions
23 that are necessary for economic development in rural natural resources
24 impact areas, as defined in RCW 43.31.601, respond to any completed
25 application within forty-five days of its receipt; any response, at a
26 minimum, shall include:

27 (a) The specific steps that the applicant needs to take in order to
28 have the application approved; and

29 (b) The assistance that will be made available to the applicant by
30 the agency to expedite the application process.

31 (3) The agency rural community assistance task force established in
32 RCW 43.31.621 shall oversee implementation of this section.

33 (4) Each agency shall define what constitutes a completed
34 application and make this definition available to applicants.

35 **Sec. 302.** RCW 19.02.050 and 1994 c 264 s 8 are each amended to
36 read as follows:

1 (1) The legislature hereby directs the full participation by the
2 following agencies in the implementation of this chapter:

3 (a) Department of agriculture;

4 (b) Secretary of state;

5 (c) Department of social and health services;

6 (d) Department of revenue;

7 (e) Department of fish and wildlife;

8 (f) Department of employment security;

9 (g) Department of labor and industries;

10 (h) Department of ((community₇)) trade((₇)) and economic
11 development;

12 (i) Liquor control board;

13 (j) Department of health;

14 (k) Department of licensing;

15 (l) Utilities and transportation commission; and

16 (m) Other agencies as determined by the governor.

17 **Sec. 303.** RCW 24.46.010 and 1995 c 399 s 12 are each amended to
18 read as follows:

19 It is the finding of the legislature that foreign trade zones serve
20 an important public purpose by the creation of employment opportunities
21 within the state and that the establishment of zones designed to
22 accomplish this purpose is to be encouraged. It is the further intent
23 of the legislature that the department of ((community₇)) trade((₇)) and
24 economic development provide assistance to entities planning to apply
25 to the United States for permission to establish such zones.

26 **Sec. 304.** RCW 28B.20.283 and 1995 c 399 s 25 are each amended to
27 read as follows:

28 The legislature finds that the development and commercialization of
29 new technology is a vital part of economic development.

30 The legislature also finds that it is in the interests of the state
31 of Washington to provide a mechanism to transfer and apply research and
32 technology developed at the institutions of higher education to the
33 private sector in order to create new products and technologies which
34 provide job opportunities in advanced technology for the citizens of
35 this state.

36 It is the intent of the legislature that the University of
37 Washington, the Washington State University, and the department of

1 ((community_)) trade((_)) and economic development work cooperatively
2 with the private sector in the development and implementation of a
3 world class technology transfer program.

4 **Sec. 305.** RCW 28B.20.289 and 1995 c 399 s 26 are each amended to
5 read as follows:

6 (1) The technology center shall be administered by the board of
7 directors of the technology center.

8 (2) The board shall consist of the following members: Fourteen
9 members from among individuals who are associated with or employed by
10 technology-based industries and have broad business experience and an
11 understanding of high technology; eight members from the state's
12 universities with graduate science and engineering programs; the
13 executive director of the Spokane Intercollegiate Research and
14 Technology Institute or his or her designated representative; the
15 provost of the University of Washington or his or her designated
16 representative; the provost of the Washington State University or his
17 or her designated representative; and the director of the department of
18 ((community_)) trade((_)) and economic development or his or her
19 designated representative. The term of office for each board member,
20 excluding the executive director of the Spokane Intercollegiate
21 Research and Technology Institute, the provost of the University of
22 Washington, the provost of the Washington State University, and the
23 director of the department of ((community_)) trade((_)) and economic
24 development, shall be three years. The executive director of the
25 technology center shall be an ex officio, nonvoting member of the
26 board. The board shall meet at least quarterly. Board members shall
27 be appointed by the governor based on the recommendations of the
28 existing board of the technology center, and the research universities.
29 The governor shall stagger the terms of the first group of appointees
30 to ensure the long term continuity of the board.

31 (3) The duties of the board include:

32 (a) Developing the general operating policies for the technology
33 center;

34 (b) Appointing the executive director of the technology center;

35 (c) Approving the annual operating budget of the technology center;

36 (d) Establishing priorities for the selection and funding of
37 research projects that guarantee the greatest potential return on the
38 state's investment;

1 (e) Approving and allocating funding for research projects
2 conducted by the technology center, based on the recommendations of the
3 advisory committees for each of the research centers;

4 (f) In cooperation with the department of ((community~~7~~)) trade((~~7~~))
5 and economic development, developing a biennial work plan and five-year
6 strategic plan for the technology center that are consistent with the
7 state-wide technology development and commercialization goals;

8 (g) Coordinating with the University of Washington, Washington
9 State University, and other participating institutions of higher
10 education in the development of training, research, and development
11 programs to be conducted at the technology center that shall be
12 targeted to meet industrial needs;

13 (h) Assisting the department of ((community~~7~~)) trade((~~7~~)) and
14 economic development in the department's efforts to develop state
15 science and technology public policies and coordinate publicly funded
16 programs;

17 (i) Reviewing annual progress reports on funded research projects
18 that are prepared by the advisory committees for each of the research
19 centers;

20 (j) Providing an annual report to the governor and the legislature
21 detailing the activities and performance of the technology center; and

22 (k) Submitting annually to the department of community, trade, and
23 economic development an updated strategic plan and a statement of
24 performance measured against the mission, roles, and contractual
25 obligations of the technology center.

26 **Sec. 306.** RCW 28B.20.293 and 1995 c 399 s 27 are each amended to
27 read as follows:

28 The department of ((community~~7~~)) trade((~~7~~)) and economic
29 development shall contract with the University of Washington for the
30 expenditure of state-appropriated funds for the operation of the
31 Washington technology center. The department of ((community~~7~~))
32 trade((~~7~~)) and economic development shall provide guidance to the
33 technology center regarding expenditure of state-appropriated funds and
34 the development of the center's strategic plan. The director of the
35 department of ((community~~7~~)) trade((~~7~~)) and economic development shall
36 not withhold funds appropriated for the technology center if the
37 technology center complies with the provisions of its contract with the
38 department of ((community~~7~~)) trade((~~7~~)) and economic development. The

1 department shall be responsible to the legislature for the contractual
2 performance of the center.

3 **Sec. 307.** RCW 28B.30.537 and 1995 c 399 s 28 are each amended to
4 read as follows:

5 The IMPACT center shall:

6 (1) Coordinate the teaching, research, and extension expertise of
7 the college of agriculture and home economics at Washington State
8 University to assist in:

9 (a) The design and development of information and strategies to
10 expand the long-term international markets for Washington agricultural
11 products; and

12 (b) The dissemination of such information and strategies to
13 Washington exporters, overseas users, and public and private trade
14 organizations;

15 (2) Research and identify current impediments to increased exports
16 of Washington agricultural products, and determine methods of
17 surmounting those impediments and opportunities for exporting new
18 agricultural products and commodities to foreign markets;

19 (3) Prepare curricula to present and distribute information
20 concerning international trade in agricultural commodities and products
21 to students, exporters, international traders, and the public;

22 (4) Provide high-quality research and graduate education and
23 professional nondegree training in international trade in agricultural
24 commodities in cooperation with other existing programs;

25 (5) Ensure that activities of the center adequately reflect the
26 objectives for the state's agricultural market development programs
27 established by the department of agriculture as the lead state agency
28 for such programs under chapter 43.23 RCW;

29 (6) Link itself through cooperative agreements with the center for
30 international trade in forest products at the University of Washington,
31 the state department of agriculture, the department of ((community,))
32 trade((,)) and economic development, Washington's agriculture
33 businesses and associations, and other state agency data collection,
34 processing, and dissemination efforts; and

35 (7) Subject to RCW 40.07.040, report biennially to the governor and
36 the legislature on the IMPACT center, state agricultural commodities
37 marketing programs, and the center's success in obtaining nonstate
38 funding for its operation.

1 **Sec. 308.** RCW 28B.50.262 and 1995 c 226 s 19 are each amended to
2 read as follows:

3 The state board for community and technical colleges shall develop,
4 in conjunction with the center for international trade in forest
5 products, the Washington State University wood materials and
6 engineering laboratory, and the department of ((community)) trade(())
7 and economic development, a competency-based technical degree program
8 in wood product manufacturing and wood technology and make it available
9 in every college district that serves a rural natural resources impact
10 area.

11 **Sec. 309.** RCW 28B.65.040 and 1995 c 399 s 29 are each amended to
12 read as follows:

13 (1) The Washington high-technology coordinating board is hereby
14 created.

15 (2) The board shall be composed of eighteen members as follows:

16 (a) Eleven shall be citizen members appointed by the governor, with
17 the consent of the senate, for four-year terms. In making the
18 appointments the governor shall ensure that a balanced geographic
19 representation of the state is achieved and shall attempt to choose
20 persons experienced in high-technology fields, including at least one
21 representative of labor. Any person appointed to fill a vacancy
22 occurring before a term expires shall be appointed only for the
23 remainder of that term; and

24 (b) Seven of the members shall be as follows: One representative
25 from each of the state's two research universities, one representative
26 of the state college and regional universities, the director for the
27 state system of community and technical colleges or the director's
28 designee, the superintendent of public instruction or the
29 superintendent's designee, a representative of the higher education
30 coordinating board, and the director of the department of
31 ((community)) trade(()) and economic development or the director's
32 designee.

33 (3) Members of the board shall not receive any salary for their
34 services, but shall be reimbursed for travel expenses under RCW
35 43.03.050 and 43.03.060 for each day actually spent in attending to
36 duties as a member of the board.

1 (4) A citizen member of the board shall not be, during the term of
2 office, a member of the governing board of any public or private
3 educational institution, or an employee of any state or local agency.

4 **Sec. 310.** RCW 28B.65.050 and 1995 c 399 s 30 are each amended to
5 read as follows:

6 (1) The board shall oversee, coordinate, and evaluate the high-
7 technology programs.

8 (2) The board shall:

9 (a) Determine the specific high-technology occupational fields in
10 which technical training is needed and advise the institutions of
11 higher education and the higher education coordinating board on their
12 findings;

13 (b) Identify economic areas and high-technology industries in need
14 of technical training and research and development critical to economic
15 development and advise the institutions of higher education and the
16 higher education coordinating board on their findings;

17 (c) Oversee and coordinate the Washington high-technology education
18 and training program to insure high standards, efficiency, and
19 effectiveness;

20 (d) Work cooperatively with the superintendent of public
21 instruction to identify the skills prerequisite to the high-technology
22 programs in the institutions of higher education;

23 (e) Work cooperatively with and provide any information or advice
24 which may be requested by the higher education coordinating board
25 during the board's review of new baccalaureate degree program proposals
26 which are submitted under this chapter. Nothing in this chapter shall
27 be construed as altering or superseding the powers or prerogatives of
28 the higher education coordinating board over the review of new degree
29 programs as established in section 6(2) of this 1985 act;

30 (f) Work cooperatively with the department of ((community,))
31 trade((,)) and economic development to identify the high-technology
32 education and training needs of existing Washington businesses and
33 businesses with the potential to locate in Washington;

34 (g) Work towards increasing private sector participation and
35 contributions in Washington high-technology programs;

36 (h) Identify and evaluate the effectiveness of state sponsored
37 research related to high technology;

1 (i) Establish and maintain a plan, including priorities, to guide
2 high-technology program development in public institutions of higher
3 education, which plan shall include an assessment of current high-
4 technology programs, steps to increase existing programs, new
5 initiatives and programs necessary to promote high technology, and
6 methods to coordinate and target high-technology programs to changing
7 market opportunities in business and industry; and

8 (j) Prepare and submit to the legislature before the first day of
9 each regular session an annual report on Washington high-technology
10 programs including, but not limited to:

11 (i) An evaluation of each program;

12 (ii) A determination of the feasibility of expanding the program;
13 and

14 (iii) Recommendations, including recommendations for further
15 legislation as the board deems necessary.

16 (3) The board may adopt rules under chapter 34.05 RCW as it deems
17 necessary to carry out the purposes of this chapter.

18 (4) The board shall cease to exist on June 30, 1987, unless
19 extended by law for an additional fixed period of time.

20 **Sec. 311.** RCW 28B.65.060 and 1995 c 399 s 31 are each amended to
21 read as follows:

22 Staff support for the high-technology coordinating board shall be
23 provided by the department of ((community,)) trade((,)) and economic
24 development.

25 **Sec. 312.** RCW 28B.109.020 and 1996 c 253 s 402 are each amended to
26 read as follows:

27 The Washington international exchange scholarship program is
28 created subject to funding under RCW 28B.109.060. The program shall be
29 administered by the board. In administering the program, the board
30 may:

31 (1) Convene an advisory committee that may include but need not be
32 limited to representatives of the office of the superintendent of
33 public instruction, the department of ((community,)) trade((,)) and
34 economic development, the secretary of state, private business, and
35 institutions of higher education;

- 1 (2) Select students to receive the scholarship with the assistance
- 2 of a screening committee composed of leaders in business, international
- 3 trade, and education;
- 4 (3) Adopt necessary rules and guidelines including rules for
- 5 disbursing scholarship funds to participants;
- 6 (4) Publicize the program;
- 7 (5) Solicit and accept grants and donations from public and private
- 8 sources for the program;
- 9 (6) Establish and notify participants of service obligations; and
- 10 (7) Establish a formula for selecting the countries from which
- 11 participants may be selected in consultation with the department of
- 12 ((community,)) trade((,)) and economic development.

13 **Sec. 313.** RCW 28C.04.440 and 1995 c 399 s 32 are each amended to
14 read as follows:

15 The department of ((community,)) trade((,)) and economic
16 development and the employment security department shall each enter
17 into an interagency agreement with the commission on vocational
18 education to establish cooperative working arrangements for the
19 purposes of RCW 28C.04.410 through 28C.04.480.

20 **Sec. 314.** RCW 28C.04.460 and 1995 c 399 s 33 are each amended to
21 read as follows:

22 The department of ((community,)) trade((,)) and economic
23 development or its successor shall for the purposes of RCW 28C.04.410
24 through 28C.04.480:

- 25 (1) Work cooperatively with the commission on vocational education
- 26 to market the job skills program to business and economic development
- 27 agencies and other firms;
- 28 (2) Recruit industries from outside the state to participate in the
- 29 job skills training program; and
- 30 (3) Refer business and industry interested in developing a job
- 31 skills training program to the commission on vocational education.

32 **Sec. 315.** RCW 28C.18.060 and 1996 c 99 s 4 are each amended to
33 read as follows:

34 The board, in cooperation with the operating agencies of the state
35 training system and private career schools and colleges shall:

1 (1) Concentrate its major efforts on planning, coordination
2 evaluation, policy analysis, and recommending improvements to the
3 state's training system.

4 (2) Advocate for the state training system and for meeting the
5 needs of employers and the work force for work force education and
6 training.

7 (3) Establish and maintain an inventory of the programs of the
8 state training system, and related state programs, and perform a
9 biennial assessment of the vocational education, training, and adult
10 basic education and literacy needs of the state; identify ongoing and
11 strategic education needs; and assess the extent to which employment,
12 training, vocational and basic education, rehabilitation services, and
13 public assistance services represent a consistent, integrated approach
14 to meet such needs.

15 (4) Develop and maintain a state comprehensive plan for work force
16 training and education, including but not limited to, goals,
17 objectives, and priorities for the state training system, and review
18 the state training system for consistency with the state comprehensive
19 plan. In developing the state comprehensive plan for work force
20 training and education, the board shall use, but shall not be limited
21 to: Economic, labor market, and populations trends reports in office
22 of financial management forecasts; joint office of financial management
23 and employment security department labor force, industry employment,
24 and occupational forecasts; the results of scientifically based
25 outcome, net-impact and cost-benefit evaluations; the needs of
26 employers as evidenced in formal employer surveys and other employer
27 input; and the needs of program participants and workers as evidenced
28 in formal surveys and other input from program participants and the
29 labor community.

30 (5) In consultation with the higher education coordinating board,
31 review and make recommendations to the office of financial management
32 and the legislature on operating and capital facilities budget requests
33 for operating agencies of the state training system for purposes of
34 consistency with the state comprehensive plan for work force training
35 and education.

36 (6) Provide for coordination among the different operating agencies
37 and components of the state training system at the state level and at
38 the regional level.

1 (7) Develop a consistent and reliable data base on vocational
2 education enrollments, costs, program activities, and job placements
3 from publicly funded vocational education programs in this state.

4 (8) Establish standards for data collection and maintenance for the
5 operating agencies of the state training system in a format that is
6 accessible to use by the board. The board shall require a minimum of
7 common core data to be collected by each operating agency of the state
8 training system.

9 The board shall develop requirements for minimum common core data
10 in consultation with the office of financial management and the
11 operating agencies of the training system.

12 (9) Establish minimum standards for program evaluation for the
13 operating agencies of the state training system, including, but not
14 limited to, the use of common survey instruments and procedures for
15 measuring perceptions of program participants and employers of program
16 participants, and monitor such program evaluation.

17 (10) Every two years administer scientifically based outcome
18 evaluations of the state training system, including, but not limited
19 to, surveys of program participants, surveys of employers of program
20 participants, and matches with employment security department payroll
21 and wage files. Every five years administer scientifically based net-
22 impact and cost-benefit evaluations of the state training system.

23 (11) In cooperation with the employment security department,
24 provide for the improvement and maintenance of quality and utility in
25 occupational information and forecasts for use in training system
26 planning and evaluation. Improvements shall include, but not be
27 limited to, development of state-based occupational change factors
28 involving input by employers and employees, and delineation of skill
29 and training requirements by education level associated with current
30 and forecasted occupations.

31 (12) Provide for the development of common course description
32 formats, common reporting requirements, and common definitions for
33 operating agencies of the training system.

34 (13) Provide for effectiveness and efficiency reviews of the state
35 training system.

36 (14) In cooperation with the higher education coordinating board,
37 facilitate transfer of credit policies and agreements between
38 institutions of the state training system, and encourage articulation

1 agreements for programs encompassing two years of secondary work force
2 education and two years of postsecondary work force education.

3 (15) In cooperation with the higher education coordinating board,
4 facilitate transfer of credit policies and agreements between private
5 training institutions and institutions of the state training system.

6 (16) Participate in the development of coordination criteria for
7 activities under the job training partnership act with related programs
8 and services provided by state and local education and training
9 agencies.

10 (17) Make recommendations to the commission of student assessment,
11 the state board of education, and the superintendent of public
12 instruction, concerning basic skill competencies and essential core
13 competencies for K-12 education. Basic skills for this purpose shall
14 be reading, writing, computation, speaking, and critical thinking,
15 essential core competencies for this purpose shall be English, math,
16 science/technology, history, geography, and critical thinking. The
17 board shall monitor the development of and provide advice concerning
18 secondary curriculum which integrates vocational and academic
19 education.

20 (18) Establish and administer programs for marketing and outreach
21 to businesses and potential program participants.

22 (19) Facilitate the location of support services, including but not
23 limited to, child care, financial aid, career counseling, and job
24 placement services, for students and trainees at institutions in the
25 state training system, and advocate for support services for trainees
26 and students in the state training system.

27 (20) Facilitate private sector assistance for the state training
28 system, including but not limited to: Financial assistance, rotation
29 of private and public personnel, and vocational counseling.

30 (21) Facilitate programs for school-to-work transition that combine
31 classroom education and on-the-job training in industries and
32 occupations without a significant number of apprenticeship programs.

33 (22) Encourage and assess progress for the equitable representation
34 of racial and ethnic minorities, women, and people with disabilities
35 among the students, teachers, and administrators of the state training
36 system. Equitable, for this purpose, shall mean substantially
37 proportional to their percentage of the state population in the
38 geographic area served. This function of the board shall in no way

1 lessen more stringent state or federal requirements for representation
2 of racial and ethnic minorities, women, and people with disabilities.

3 (23) Participate in the planning and policy development of governor
4 set-aside grants under P.L. 97-300, as amended.

5 (24) Administer veterans' programs, licensure of private vocational
6 schools, the job skills program, and the Washington award for
7 vocational excellence.

8 (25) Allocate funding from the state job training trust fund.

9 (26) Work with the director of ((community~~7~~)) trade((~~7~~)) and
10 economic development to ensure coordination between work force training
11 priorities and that department's economic development efforts.

12 (27) Adopt rules as necessary to implement this chapter.

13 The board may delegate to the director any of the functions of this
14 section.

15 **Sec. 316.** RCW 36.01.120 and 1995 c 399 s 40 are each amended to
16 read as follows:

17 It is the finding of the legislature that foreign trade zones serve
18 an important public purpose by the creation of employment opportunities
19 within the state and that the establishment of zones designed to
20 accomplish this purpose is to be encouraged. It is the further intent
21 of the legislature that the department of ((community~~7~~)) trade((~~7~~)) and
22 economic development provide assistance to entities planning to apply
23 to the United States for permission to establish such zones.

24 **Sec. 317.** RCW 36.110.030 and 1995 c 399 s 45 are each amended to
25 read as follows:

26 A state-wide jail industries board of directors is established.
27 The board shall consist of the following members:

28 (1) One sheriff and one police chief, to be selected by the
29 Washington association of sheriffs and police chiefs;

30 (2) One county commissioner or one county councilmember to be
31 selected by the Washington state association of counties;

32 (3) One city official to be selected by the association of
33 Washington cities;

34 (4) Two jail administrators to be selected by the Washington state
35 jail association, one of whom shall be from a county or a city with an
36 established jail industries program;

1 (5) One prosecuting attorney to be selected by the Washington
2 association of prosecuting attorneys;

3 (6) One administrator from a city or county corrections department
4 to be selected by the Washington correctional association;

5 (7) One county clerk to be selected by the Washington association
6 of county clerks;

7 (8) Three representatives from labor to be selected by the
8 governor. The representatives may be chosen from a list of nominations
9 provided by state-wide labor organizations representing a cross-section
10 of trade organizations;

11 (9) Three representatives from business to be selected by the
12 governor. The representatives may be chosen from a list of nominations
13 provided by state-wide business organizations representing a cross-
14 section of businesses, industries, and all sizes of employers;

15 (10) The governor's representative from the employment security
16 department;

17 (11) One member representing crime victims, to be selected by the
18 governor;

19 (12) One member representing on-line law enforcement officers, to
20 be selected by the governor;

21 (13) One member from the department of ((community,)) trade((,))
22 and economic development to be selected by the governor;

23 (14) One member representing higher education, vocational
24 education, or adult basic education to be selected by the governor; and

25 (15) The governor's representative from the correctional industries
26 division of the state department of corrections shall be an ex officio
27 member for the purpose of coordination and cooperation between prison
28 and jail industries and to further a positive relationship between
29 state and local government offender programs.

30 **Sec. 318.** RCW 43.07.360 and 1996 c 253 s 301 are each amended to
31 read as follows:

32 (1) The legislature finds that knowledge of international exchange
33 students who have studied in Washington state institutions of higher
34 education, especially those from key trading partner countries, and
35 knowledge of Washington state students, interns, and citizens working
36 and studying abroad, is critical to the ability of Washington
37 businesses and citizens to establish contacts and networks in the
38 competitive world market.

1 (2) The legislature also finds that knowledge of worldwide business
2 contacts, government contacts, cultural contacts, and international
3 friends is critical to building a solid network of opportunities for
4 developing trade relations for our state.

5 (3) The secretary of state may develop and maintain a data base, to
6 be known as the international contact data base, listing, in addition
7 to any other information: (a) Washington students, interns, and
8 citizens working and studying overseas; (b) international students who
9 have studied at Washington educational institutions; (c) exchange
10 opportunities for Washington residents wishing to participate in
11 education, internships, or technical assistance programs in the areas
12 of agriculture, hydroelectric power, aerospace, computers and
13 technology, academics, medicine, and communications; (d) international
14 business contacts of those people interested in doing business with
15 Washington business; and (e) international government contacts,
16 particularly with our key trading partners.

17 The data base may be designed to be used as a resource for
18 Washington citizens, businesses, and other entities seeking contacts in
19 international trade markets overseas.

20 (4) The department of ((community,)) trade((,)) and economic
21 development, the department of agriculture, and the governor's office
22 of protocol may assist the secretary of state in designing and
23 developing the data base and in obtaining data for inclusion in the
24 data base. Four-year educational institutions and their alumni
25 associations are encouraged to maintain data concerning students
26 studying or working abroad, international students attending their
27 institutions, and exchange opportunities available to their students
28 and other citizens, and to make such data freely available to the
29 secretary of state for inclusion in the data base.

30 (5) The information contained in the data base may be made
31 available on request for inspection or copying for free or at cost.
32 The secretary of state shall not distinguish among persons requesting
33 information from the data base, though the secretary of state may
34 request information from requesters for purposes of monitoring trade
35 contacts and evaluating the uses and effectiveness of the data base.

36 (6) Any person listed in the data base may request in writing that
37 his or her name, address, telephone number, or other identifying
38 information be omitted from the data base. Nothing in this section

1 prohibits the secretary of state from refusing to disclose information
2 exempt from disclosure under RCW 42.17.310.

3 **Sec. 319.** RCW 43.21A.510 and 1995 c 399 s 66 are each amended to
4 read as follows:

5 In order to assist the department of ((community₇)) trade((₇)) and
6 economic development in providing information to businesses interested
7 in locating in Washington state, the department shall develop an
8 environmental profile of the state. This profile shall identify the
9 state's natural resources and describe how these assets are valuable to
10 industry. Examples of information to be included are water resources
11 and quality, air quality, and recreational opportunities related to
12 natural resources.

13 **Sec. 320.** RCW 43.21A.515 and 1995 c 399 s 67 are each amended to
14 read as follows:

15 In order to emphasize the importance of the state's environmental
16 laws and regulations and to facilitate compliance with them, the
17 department of ecology shall provide assistance to businesses interested
18 in locating in Washington state. When the department of ((community₇))
19 trade((₇)) and economic development receives a query from an interested
20 business through its industrial marketing activities, it shall arrange
21 for the department of ecology to provide information on the state's
22 environmental laws and regulations and methods of compliance. This
23 section shall facilitate compliance with state environmental laws and
24 regulations and shall not weaken their application or effectiveness.

25 **Sec. 321.** RCW 43.21A.612 and 1995 c 399 s 68 are each amended to
26 read as follows:

27 Before the director shall construct said steam generating facility
28 within the state, or make application for any permit, license or other
29 right necessary thereto, the director shall give notice thereof by
30 publishing once a week for four consecutive weeks in a newspaper of
31 general circulation in the county or counties in which such project is
32 located a statement of intention setting forth the general nature,
33 extent and location of the project. If any public utility in the state
34 or any operating agency desires to construct such facility, such
35 utility or operating agency shall notify the director thereof within
36 ten days after the last date of publication of such notice. If the

1 director determines that it is in the best public interest that the
2 director proceed with such construction rather than the public utility
3 or operating agency, the director shall so notify the director of
4 ((community,)) trade((,)) and economic development, who shall set a
5 date for hearing thereon. If after considering the evidence introduced
6 the director of ((community,)) trade((,)) and economic development
7 finds that the public utility or operating agency making the request
8 intends to immediately proceed with such construction and is
9 financially capable of carrying out such construction and further finds
10 that the plan of such utility or operating agency is equally well
11 adapted to serve the public interest, the director shall enter an order
12 so finding and such order shall divest the director of authority to
13 proceed further with such construction or acquisition until such time
14 as the other public utility or agency voluntarily causes an assignment
15 of its right or interest in the project to the director or fails to
16 procure any further required governmental permit, license or authority
17 or having procured such, has the same revoked or withdrawn, in
18 accordance with the laws and regulations of such governmental entity,
19 in which event the director shall have the same authority to proceed as
20 though the director had originally entered an order so authorizing the
21 director to proceed. If, after considering the evidence introduced,
22 the director of ((community,)) trade((,)) and economic development
23 finds that the public utility or agency making the request does not
24 intend to immediately proceed with such construction or acquisition or
25 is not financially capable of carrying out such construction or
26 acquisition, or finds that the plan of such utility or operating agency
27 is not equally well adapted to serve the public interest, the director
28 shall then enter an order so finding and authorizing the director to
29 proceed with the construction or acquisition of the facility.

30 **Sec. 322.** RCW 43.23.035 and 1995 c 399 s 70 are each amended to
31 read as follows:

32 The department of agriculture is hereby designated as the agency of
33 state government for the administration and implementation of state
34 agricultural market development programs and activities, both domestic
35 and foreign, and shall, in addition to the powers and duties otherwise
36 imposed by law, have the following powers and duties:

37 (1) To study the potential marketability of various agricultural
38 commodities of this state in foreign and domestic trade;

1 (2) To collect, prepare, and analyze foreign and domestic market
2 data;

3 (3) To establish a program to promote and assist in the marketing
4 of Washington-bred horses: PROVIDED, That the department shall present
5 a proposal to the legislature no later than December 1, 1986, that
6 provides for the elimination of all state funding for the program after
7 June 30, 1989;

8 (4) To encourage and promote the sale of Washington's agricultural
9 commodities and products at the site of their production through the
10 development and dissemination of referral maps and other means;

11 (5) To encourage and promote those agricultural industries, such as
12 the wine industry, which attract visitors to rural areas in which other
13 agricultural commodities and products are produced and are, or could
14 be, made available for sale;

15 (6) To encourage and promote the establishment and use of public
16 markets in this state for the sale of Washington's agricultural
17 products;

18 (7) To maintain close contact with foreign firms and governmental
19 agencies and to act as an effective intermediary between foreign
20 nations and Washington traders;

21 (8) To publish and disseminate to interested citizens and others
22 information which will aid in carrying out the purposes of chapters
23 43.23, 15.64, 15.65, and 15.66 RCW;

24 (9) To encourage and promote the movement of foreign and domestic
25 agricultural goods through the ports of Washington;

26 (10) To conduct an active program by sending representatives to, or
27 engaging representatives in, foreign countries to promote the state's
28 agricultural commodities and products;

29 (11) To assist and to make Washington agricultural concerns more
30 aware of the potentials of foreign trade and to encourage production of
31 those commodities that will have high export potential and appeal;

32 (12) To coordinate the trade promotional activities of appropriate
33 federal, state, and local public agencies, as well as civic
34 organizations; and

35 (13) To develop a coordinated marketing program with the department
36 of ((community)) trade((7)) and economic development, utilizing
37 existing trade offices and participating in mutual trade missions and
38 activities.

1 As used in this section, "agricultural commodities" includes
2 products of both terrestrial and aquatic farming.

3 **Sec. 323.** RCW 43.160.020 and 1996 c 51 s 2 are each amended to
4 read as follows:

5 Unless the context clearly requires otherwise, the definitions in
6 this section apply throughout this chapter.

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

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

11 (3) "Department" means the department of (~~community,~~) trade(~~(,)~~)
12 and economic development.

13 (4) "Financial institution" means any bank, savings and loan
14 association, credit union, development credit corporation, insurance
15 company, investment company, trust company, savings institution, or
16 other financial institution approved by the board and maintaining an
17 office in the state.

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

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

22 (7) "Local government" or "political subdivision" means any port
23 district, county, city, town, special purpose district, and any other
24 municipal corporations or quasi-municipal corporations in the state
25 providing for public facilities under this chapter.

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

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

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

1 (11) "Public facilities" means bridges, roads, domestic and
2 industrial water, sanitary sewer, storm sewer, railroad, electricity,
3 natural gas, buildings or structures, and port facilities.

4 (12) "Rural natural resources impact area" means:

5 (a) A nonmetropolitan county, as defined by the 1990 decennial
6 census, that meets two of the five criteria set forth in subsection
7 (13) of this section; or

8 (b) A nonurbanized area, as defined by the 1990 decennial census,
9 that is located in a metropolitan county that meets two of the five
10 criteria set forth in subsection (13) of this section.

11 (13) For the purposes of designating rural natural resources impact
12 areas, the following criteria shall be considered:

13 (a) A lumber and wood products employment location quotient at or
14 above the state average;

15 (b) A commercial salmon fishing employment location quotient at or
16 above the state average;

17 (c) Projected or actual direct lumber and wood products job losses
18 of one hundred positions or more;

19 (d) Projected or actual direct commercial salmon fishing job losses
20 of one hundred positions or more; and

21 (e) An unemployment rate twenty percent or more above the state
22 average. The counties that meet these criteria shall be determined by
23 the employment security department for the most recent year for which
24 data is available. For the purposes of administration of programs
25 under this chapter, the United States post office five-digit zip code
26 delivery areas will be used to determine residence status for
27 eligibility purposes. For the purpose of this definition, a zip code
28 delivery area that is located wholly or partially in an urbanized area
29 or within two miles of an urbanized area is considered urbanized. The
30 office of financial management shall make available a zip code listing
31 of the areas to all agencies and organizations providing services under
32 this chapter.

33 **Sec. 324.** RCW 43.160.115 and 1995 c 399 s 87 are each amended to
34 read as follows:

35 In addition to its powers and duties under this chapter, the
36 community economic revitalization board shall cooperate with the
37 (~~Washington state development loan fund committee~~) department in
38 order to provide for coordination of their very similar programs.

1 Under this chapter, it is the duty of the department (~~of community,~~
2 ~~trade, and economic development and the board~~) to financially assist
3 the committee to the extent required by law. (~~Funds appropriated to~~
4 ~~the board or the department of community, trade, and economic~~
5 ~~development for the use of the board shall be transferred to the~~
6 ~~department of community, trade, and economic development to the extent~~
7 ~~required by law.~~)

8 **Sec. 325.** RCW 43.160.180 and 1995 c 399 s 88 are each amended to
9 read as follows:

10 (1) There is hereby created the private activity bond subcommittee
11 of the board.

12 (2) The subcommittee shall be primarily responsible for reviewing
13 and making recommendations to the board on requests for certification
14 and allocation pursuant to the provisions of chapter 39.86 RCW and as
15 authorized by rules adopted by the board.

16 (3) The subcommittee shall consist of the following members: Six
17 members of the board including: (a) The chair; (b) the county
18 official; (c) the city official; (d) the port district official; (e) a
19 legislator, appointed by the chair; and (f) the representative of the
20 public. The members' terms shall coincide with their terms of
21 appointment to the board.

22 (4) Staff support to the subcommittee shall be provided by the
23 department (~~of community, trade, and economic development~~).

24 (5) Members of the subcommittee shall receive no compensation but
25 shall be reimbursed for travel expenses under RCW 43.03.050 and
26 43.03.060.

27 (6) If a vacancy on the subcommittee occurs by death, resignation,
28 failure to hold the office from which the member was appointed, or
29 otherwise, the vacancy shall be filled through the procedures specified
30 for filling the corresponding vacancy on the board.

31 **Sec. 326.** RCW 43.163.020 and 1995 c 399 s 89 are each amended to
32 read as follows:

33 The Washington economic development finance authority is
34 established as a public body corporate and politic, with perpetual
35 corporate succession, constituting an instrumentality of the state of
36 Washington exercising essential governmental functions. The authority
37 is a public body within the meaning of RCW 39.53.010.

1 The authority shall consist of eighteen (~~(seventeen)~~) members as
2 follows: The director of the department of (~~community,~~) trade(~~(7)~~)
3 and economic development, the director of the department of community
4 development, the director of the department of agriculture, the state
5 treasurer, one member from each caucus in the house of representatives
6 appointed by the speaker of the house, one member from each caucus in
7 the senate appointed by the president of the senate, and ten public
8 members with one representative of women-owned businesses and one
9 representative of minority-owned businesses and with at least three of
10 the members residing east of the Cascades. The public members shall be
11 residents of the state appointed by the governor on the basis of their
12 interest or expertise in trade, agriculture or business finance or jobs
13 creation and development. One of the public members shall be appointed
14 by the governor as chair of the authority and shall serve as chair of
15 the authority at the pleasure of the governor. The authority may
16 select from its membership such other officers as it deems appropriate.

17 The term of the persons appointed by the governor as public members
18 of the authority, including the public member appointed as chair, shall
19 be four years from the date of appointment, except that the term of
20 three of the initial appointees shall be for two years from the date of
21 appointment and the term of four of the initial appointees shall be for
22 three years from the date of appointment. The governor shall designate
23 the appointees who will serve the two-year and three-year terms.

24 In the event of a vacancy on the authority due to death,
25 resignation or removal of one of the public members, or upon the
26 expiration of the term of one of the public members, the governor shall
27 appoint a successor for the remainder of the unexpired term. If either
28 of the state offices is abolished, the resulting vacancy on the
29 authority shall be filled by the state officer who shall succeed
30 substantially to the power and duties of the abolished office.

31 Any public member of the authority may be removed by the governor
32 for misfeasance, malfeasance or willful neglect of duty after notice
33 and a public hearing, unless such notice and hearing shall be expressly
34 waived in writing by the affected public member.

35 The state officials serving in ex officio capacity may each
36 designate an employee of their respective departments to act on their
37 behalf in all respects with regard to any matter to come before the
38 authority. Such designations shall be made in writing in such manner
39 as is specified by the rules of the authority.

1 The members of the authority shall serve without compensation but
2 shall be entitled to reimbursement, solely from the funds of the
3 authority, for expenses incurred in the discharge of their duties under
4 this chapter. The authority may borrow funds from the department for
5 the purpose of reimbursing members for expenses; however, the authority
6 shall repay the department as soon as practicable.

7 A majority of the authority shall constitute a quorum.

8 **Sec. 327.** RCW 43.163.120 and 1994 c 238 s 3 are each amended to
9 read as follows:

10 The authority shall receive no appropriation of state funds. The
11 department of ((community₇)) trade((₇)) and economic development shall
12 provide staff to the authority, to the extent permitted by law, to
13 enable the authority to accomplish its purposes; the staff from the
14 department of ((community₇)) trade((₇)) and economic development may
15 assist the authority in organizing itself and in designing programs,
16 but shall not be involved in the issuance of bonds or in making credit
17 decisions regarding financing provided to borrowers by the authority.
18 The authority shall report each December on its activities to the
19 appropriate standing committees of the house of representatives and
20 senate.

21 **Sec. 328.** RCW 43.168.020 and 1996 c 290 s 3 are each amended to
22 read as follows:

23 Unless the context clearly requires otherwise, the definitions in
24 this section apply throughout this chapter.

25 (1) (~~"Committee" means the Washington state development loan fund~~
26 ~~committee.~~

27 ~~(2))~~ "Department" means the department of ((community₇))
28 trade((₇)) and economic development.

29 ~~((3))~~ (2) "Director" means the director of ((community₇))
30 trade((₇)) and economic development.

31 ~~((4))~~ (3) "Distressed area" means: (a) A county which has an
32 unemployment rate which is twenty percent above the state average for
33 the immediately previous three years; (b) a county that has a median
34 household income that is less than seventy-five percent of the state
35 median household income for the previous three years; (c) a
36 metropolitan statistical area, as defined by the office of federal
37 statistical policy and standards, United States department of commerce,

1 in which the average level of unemployment for the calendar year
2 immediately preceding the year in which an application is filed under
3 this chapter exceeds the average state unemployment for such calendar
4 year by twenty percent; (d) an area within a county, which area: (i)
5 Is composed of contiguous census tracts; (ii) has a minimum population
6 of five thousand persons; (iii) has at least seventy percent of its
7 families and unrelated individuals with incomes below eighty percent of
8 the county's median income for families and unrelated individuals; and
9 (iv) has an unemployment rate which is at least forty percent higher
10 than the county's unemployment rate; or (e) a county designated as a
11 rural natural resources impact area under RCW 43.31.601 if an
12 application is filed by July 1, 1997. For purposes of this definition,
13 "families and unrelated individuals" has the same meaning that is
14 ascribed to that term by the federal department of housing and urban
15 development in its regulations authorizing action grants for economic
16 development and neighborhood revitalization projects.

17 ~~((+5))~~ (4) "Fund" means the Washington state development loan
18 fund.

19 ~~((+6))~~ (5) "Local development organization" means a nonprofit
20 organization which is organized to operate within an area, demonstrates
21 a commitment to a long-standing effort for an economic development
22 program, and makes a demonstrable effort to assist in the employment of
23 unemployed or underemployed residents in an area.

24 ~~((+7))~~ (6) "Project" means the establishment of a new or expanded
25 business in an area which when completed will provide employment
26 opportunities. "Project" also means the retention of an existing
27 business in an area which when completed will provide employment
28 opportunities.

29 **Sec. 329.** RCW 43.168.031 and 1995 c 399 s 92 are each amended to
30 read as follows:

31 The Washington state development loan fund committee shall be
32 terminated on June 30, 1994, and its powers and duties transferred to
33 the director of the department of ~~((community))~~ trade~~(())~~ and
34 economic development.

35 **Sec. 330.** RCW 43.170.020 and 1995 c 399 s 93 are each amended to
36 read as follows:

1 Unless the context clearly requires otherwise, the definitions in
2 this section apply throughout this chapter.

3 (1) "Department" means the department of ((community₇)) trade((₇))
4 and economic development.

5 (2) "Director" means the director of ((community₇)) trade((₇)) and
6 economic development.

7 (3) "Program" means the small business innovators' opportunity
8 program.

9 (4) "Inventor" or "innovator" means one who thinks of, imagines, or
10 creates something new which may result in a device, contrivance, or
11 process for the first time, through the use of the imagination or
12 ingenious thinking and experimentation.

13 (5) "Proposal" means a plan provided by an inventor or innovator on
14 an idea for an invention or an improvement.

15 (6) "Higher education" means any university, college, community
16 college, or technical institute in this state.

17 **Sec. 331.** RCW 43.172.011 and 1995 c 399 s 96 are each amended to
18 read as follows:

19 Unless the context clearly requires otherwise, the definitions in
20 this section apply throughout RCW 43.172.020 through 43.172.110.

21 (1) "Approved surety company" means a surety company approved by
22 the department for participation in providing direct bonding assistance
23 to qualified contractors.

24 (2) "Bond" means any bond or security required for bid, payment, or
25 performance of contracts.

26 (3) "Department" means the department of ((community₇)) trade((₇))
27 and economic development.

28 (4) "Program" means the Washington state small business bonding
29 assistance program provided for in this chapter.

30 (5) "Qualified contractor" means any resident minority business
31 enterprise or women's business enterprise, as determined by the
32 department to be consistent with the requirements of chapter 39.19 RCW
33 and engaged in the contracting business, which has obtained a
34 certificate of accreditation from the Washington state small business
35 bonding assistance program.

36 **Sec. 332.** RCW 43.210.030 and 1995 c 399 s 106 are each amended to
37 read as follows:

1 The small business export finance assistance center and its
2 branches shall be governed and managed by a board of nineteen directors
3 appointed by the governor and confirmed by the senate. The directors
4 shall serve terms of six years except that two of the original
5 directors shall serve for two years and two of the original directors
6 shall serve for four years. The directors may provide for the payment
7 of their expenses. The directors shall include a representative of a
8 not-for-profit corporation formed for the purpose of facilitating
9 economic development, at least two representatives of state financial
10 institutions engaged in the financing of export transactions, a
11 representative of a port district, and a representative of organized
12 labor. Of the remaining board members, there shall be one
13 representative of business from the area west of Puget Sound, one
14 representative of business from the area east of Puget Sound and west
15 of the Cascade range, one representative of business from the area east
16 of the Cascade range and west of the Columbia river, one representative
17 of business from the area east of the Columbia river, the director of
18 the department of ((community,)) trade((,)) and economic development,
19 and the director of the department of agriculture. One of the
20 directors shall be a representative of the public selected from the
21 area in the state west of the Cascade mountain range and one director
22 shall be a representative of the public selected from that area of the
23 state east of the Cascade mountain range. One director shall be a
24 representative of the public at large. The directors shall be broadly
25 representative of geographic areas of the state, and the
26 representatives of businesses shall represent at least four different
27 industries in different sized businesses as follows: (a) One
28 representative of a company employing fewer than one hundred persons;
29 (b) one representative of a company employing between one hundred and
30 five hundred persons; (c) one representative of a company employing
31 more than five hundred persons; (d) one representative from an export
32 management company; and (e) one representative from an agricultural or
33 food processing company. Any vacancies on the board due to the
34 expiration of a term or for any other reason shall be filled by
35 appointment by the governor for the unexpired term.

36 **Sec. 333.** RCW 43.210.050 and 1995 c 399 s 107 are each amended to
37 read as follows:

1 The small business export finance assistance center formed under
2 RCW 43.210.020 and 43.210.030 shall enter into a contract under this
3 chapter with the department of ((community)) trade(()) and economic
4 development or its statutory successor. The contract shall require the
5 center to provide export assistance services, consistent with RCW
6 43.210.070 and 43.210.100 through 43.210.120, shall have a duration of
7 two years, and shall require the center to aggressively seek to fund
8 its continued operation from nonstate funds. The contract shall also
9 require the center to report annually to the department on its success
10 in obtaining nonstate funding. Upon expiration of the contract, any
11 provisions within the contract applicable to the Pacific Northwest
12 export assistance project shall be automatically renewed without change
13 provided the legislature appropriates funds for administration of the
14 small business export assistance center and the Pacific Northwest
15 export assistance project. The provisions of the contract related to
16 the Pacific Northwest export assistance project may be changed at any
17 time if the director of the department of ((community)) trade(()) and
18 economic development or the president of the small business export
19 finance assistance center present compelling reasons supporting the
20 need for a contract change to the board of directors and a majority of
21 the board of directors agrees to the changes. The department of
22 agriculture shall be included in the contracting negotiations with the
23 department of ((community)) trade(()) and economic development and
24 the small business export finance assistance center when the Pacific
25 Northwest export assistance project provides export services to
26 industrial sectors within the administrative domain of the Washington
27 state department of agriculture. The department of ((community))
28 trade(()) and economic development, the small business export finance
29 assistance center, and, if appropriate, the department of agriculture,
30 shall report annually, as one group, to the appropriate legislative
31 oversight committees on the progress of the Pacific Northwest export
32 assistance project.

33 **Sec. 334.** RCW 43.210.060 and 1995 c 399 s 108 are each amended to
34 read as follows:

35 The department of ((community)) trade(()) and economic
36 development or its statutory successor shall adopt rules under chapter
37 34.05 RCW as necessary to carry out the purposes of this chapter.

1 **Sec. 335.** RCW 43.210.070 and 1995 c 399 s 109 are each amended to
2 read as follows:

3 The small business export finance assistance center fund is created
4 in the custody of the state treasurer. Expenditures from the fund may
5 be used only for the purposes of funding the services of the small
6 business export finance assistance center and its projects under this
7 chapter. Only the director of the department of ((community₇))
8 trade((₇)) and economic development or the director's designee may
9 authorize expenditures from the fund. The director of the department
10 of ((community₇)) trade((₇)) and economic development shall not
11 withhold funds appropriated for the administration of the small
12 business export finance assistance center and its projects, if the
13 small business export finance assistance center complies with the
14 provisions of its contract under RCW 43.210.050 and 43.210.100.
15 Funding appropriated by the state of Washington shall not be used to
16 provide services to other states or provinces. The fund is subject to
17 allotment procedures under chapter 43.88 RCW, but no appropriation is
18 required for expenditures.

19 **Sec. 336.** RCW 43.210.100 and 1995 c 399 s 110 are each amended to
20 read as follows:

21 (1) The Pacific Northwest export assistance project is hereby
22 created for the following purposes:

23 (a) To assist manufacturers relatively new to exporting with gross
24 annual revenues less than twenty-five million dollars with
25 comprehensive services for designing and managing introductory export
26 strategies and in securing financing and credit guarantees for export
27 transactions;

28 (b) To provide, in cooperation with the export promotion services
29 offered by the department of ((community₇)) trade((₇)) and economic
30 development and the Washington state department of agriculture,
31 information and assistance to manufacturers with gross annual revenues
32 less than twenty-five million dollars about the methods and procedures
33 of structuring company specific export financing and credit guarantee
34 alternatives; or

35 (c) To provide information to their clients about opportunities in
36 organizing cooperative export networks, foreign sales corporations, or
37 export trading companies under the United States export trading company

1 act of 1982, for the purpose of increasing their comparative sales
2 volume and ability to export their products to foreign markets.

3 (2) The Pacific Northwest export assistance project is a separate
4 branch of the small business export finance assistance center for
5 accounting and auditing purposes.

6 (3) The Pacific Northwest export assistance project is subject to
7 the authority of the small business export finance assistance center,
8 under RCW 43.210.020, and shall be governed and managed by the board of
9 directors, under RCW 43.210.030.

10 **Sec. 337.** RCW 43.210.110 and 1995 c 226 s 29 are each amended to
11 read as follows:

12 (1) The small business export finance assistance center has the
13 following powers and duties when exercising its authority under RCW
14 43.210.100(3):

15 (a) Solicit and accept grants, contributions, and any other
16 financial assistance from the federal government, federal agencies, and
17 any other public or private sources to carry out its purposes;

18 (b) Offer comprehensive export assistance and counseling to
19 manufacturers relatively new to exporting with gross annual revenues
20 less than twenty-five million dollars. As close to seventy-five
21 percent as possible of each year's new cadre of clients must have gross
22 annual revenues of less than five million dollars at the time of their
23 initial contract. At least fifty percent of each year's new cadre of
24 clients shall be from rural natural resources impact areas as defined
25 in RCW 43.31.601. Counseling may include, but not be limited to,
26 helping clients obtain debt or equity financing, in constructing
27 competent proposals, and assessing federal guarantee and/or insurance
28 programs that underwrite exporting risk; assisting clients in
29 evaluating their international marketplace by developing marketing
30 materials, assessing and selecting targeted markets; assisting firms in
31 finding foreign customers by conducting foreign market research,
32 evaluating distribution systems, selecting and assisting in
33 identification of and/or negotiations with foreign agents,
34 distributors, retailers, and by promoting products through attending
35 trade shows abroad; advising companies on their products, guarantees,
36 and after sales service requirements necessary to compete effectively
37 in a foreign market; designing a competitive strategy for a firm's
38 products in targeted markets and methods of minimizing their commercial

1 and political risks; securing for clients specific assistance as
2 needed, outside the center's field of expertise, by referrals to other
3 public or private organizations. The Pacific Northwest export
4 assistance project shall focus its efforts on facilitating export
5 transactions for its clients, and in doing so, provide such technical
6 services as are appropriate to accomplish its mission either with staff
7 or outside consultants;

8 (c) Sign three-year counseling agreements with its clients that
9 provide for termination if adequate funding for the Pacific Northwest
10 export assistance project is not provided in future appropriations.
11 Counseling agreements shall not be renewed unless there are compelling
12 reasons to do so, and under no circumstances shall they be renewed for
13 more than two additional years. A counseling agreement may not be
14 renewed more than once. The counseling agreements shall have mutual
15 performance clauses, that if not met, will be grounds for releasing
16 each party, without penalty, from the provisions of the agreement.
17 Clients shall be immediately released from a counseling agreement with
18 the Pacific Northwest export assistance project, without penalty, if a
19 client wishes to switch to a private export management service and
20 produces a valid contract signed with a private export management
21 service, or if the president of the small business export finance
22 assistance center determines there are compelling reasons to release a
23 client from the provisions of the counseling agreement;

24 (d) May contract with private or public international trade
25 education services to provide Pacific Northwest export assistance
26 project clients with training in international business. The president
27 and board of directors shall decide the amount of funding allocated for
28 educational services based on the availability of resources in the
29 operating budget of the Pacific Northwest export assistance project;

30 (e) May contract with the Washington state international trade fair
31 to provide services for Pacific Northwest export assistance project
32 clients to participate in one trade show annually. The president and
33 board of directors shall decide the amount of funding allocated for
34 trade fair assistance based on the availability of resources in the
35 operating budget of the Pacific Northwest export assistance project;

36 (f) Provide biennial assessments of its performance. Project
37 personnel shall work with the department of revenue and employment
38 security department to confidentially track the performance of the
39 project's clients in increasing tax revenues to the state, increasing

1 gross sales revenues and volume of products destined to foreign
2 clients, and in creating new jobs for Washington citizens. A biennial
3 report shall be prepared for the governor and legislature to assess the
4 costs and benefits to the state from creating the project. The
5 president of the small business export finance assistance center shall
6 design an appropriate methodology for biennial assessments in
7 consultation with the director of ((community,)) trade((,)) and
8 economic development and the director of the Washington state
9 department of agriculture. The department of revenue and the
10 employment security department shall provide data necessary to complete
11 this biennial evaluation, if the data being requested is available from
12 existing data bases. Client-specific information generated from the
13 files of the department of revenue and the employment security
14 department for the purposes of this evaluation shall be kept strictly
15 confidential by each department and the small business export finance
16 assistance center;

17 (g) Take whatever action may be necessary to accomplish the
18 purposes set forth in RCW 43.210.070 and 43.210.100 through 43.210.120;
19 and

20 (h) Limit its assistance to promoting the exportation of value-
21 added manufactured goods. The project shall not provide counseling or
22 assistance, under any circumstances, for the importation of foreign
23 made goods into the United States.

24 (2) The Pacific Northwest export assistance project shall not,
25 under any circumstances, assume ownership or take title to the goods of
26 its clients.

27 (3) The Pacific Northwest export assistance project may not use any
28 Washington state funds which come from the public treasury of the state
29 of Washington to make loans or to make any payment under a loan
30 guarantee agreement. Under no circumstances may the center use any
31 funds received under RCW 43.210.050 to make or assist in making any
32 loan or to pay or assist in paying any amount under a loan guarantee
33 agreement. Debts of the center shall be center debts only and may be
34 satisfied only from the resources of the center. The state of
35 Washington shall not in any way be liable for such debts.

36 (4) The Pacific Northwest export assistance project shall make
37 every effort to seek nonstate funds to supplement its operations. The
38 small business export finance assistance center and the project are
39 authorized to charge reasonable fees for services and products provided

1 and to expend the proceeds for the particular purposes for which they
2 were collected.

3 (5) The small business export finance assistance center and its
4 Pacific Northwest export assistance project shall take whatever steps
5 are necessary to provide its services, if requested, to the states of
6 Oregon, Idaho, Montana, Alaska, and the Canadian provinces of British
7 Columbia and Alberta. Interstate services shall not be provided by the
8 Pacific Northwest export assistance project during its first biennium
9 of operation. The provision of services may be temporary and subject
10 to the payment of fees, or each state may request permanent services
11 contingent upon a level of permanent funding adequate for services
12 provided. Temporary services and fees may be negotiated by the small
13 business export finance assistance center's president subject to
14 approval of the board of directors. The president of the small
15 business export finance assistance center may enter into negotiations
16 with neighboring states to contract for delivery of the project's
17 services. Final contracts for providing the project's counseling and
18 services outside of the state of Washington on a permanent basis shall
19 be subject to approval of the governor, appropriate legislative
20 oversight committees, and the small business export finance assistance
21 center's board of directors.

22 (6) The small business export finance assistance center may receive
23 such gifts, grants, and endowments from public or private sources as
24 may be made from time to time, in trust or otherwise, for the use and
25 benefit of the purposes of the Pacific Northwest export assistance
26 project and expend the same or any income therefrom according to the
27 terms of the gifts, grants, or endowments.

28 (7) The president of the small business export finance assistance
29 center, in consultation with the board of directors, may use the
30 following formula in determining the number of clients that can be
31 reasonably served by the Pacific Northwest export assistance project
32 relative to its appropriation. Divide the amount appropriated for
33 administration of the Pacific Northwest export assistance project by
34 the marginal cost of adding each additional Pacific Northwest export
35 assistance project client. For the purposes of this calculation, and
36 only for the first biennium of operation, the biennial marginal cost of
37 adding each additional Pacific Northwest export assistance project
38 client shall be fifty-seven thousand ninety-five dollars. The biennial
39 marginal cost of adding each additional client after the first biennium

1 of operation shall be established from the actual operating experience
2 of the Pacific Northwest export assistance project.

3 **Sec. 338.** RCW 43.210.120 and 1995 c 399 s 111 are each amended to
4 read as follows:

5 The department of ((community,)) trade((,)) and economic
6 development shall adopt rules under chapter 34.05 RCW as necessary to
7 carry out the purposes of RCW 43.210.070 and 43.210.100 through
8 43.210.120.

9 **Sec. 339.** RCW 50.67.030 and 1994 sp.s. c 3 s 8 are each amended to
10 read as follows:

11 In addition to its duties under this chapter, the Washington state
12 job training coordinating council shall advise the employment security
13 department and the department of ((community,)) trade((,)) and economic
14 development on the development and implementation of the Washington
15 youthbuild program created under chapter 50.72 RCW.

16 **Sec. 340.** RCW 50.72.030 and 1994 sp.s. c 3 s 3 are each amended to
17 read as follows:

18 The Washington youthbuild program is established within the
19 department. The commissioner, in cooperation and consultation with the
20 director of the department of ((community,)) trade((,)) and economic
21 development, shall:

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

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

1 **Sec. 341.** RCW 67.16.100 and 1995 c 399 s 166 are each amended to
2 read as follows:

3 (1) All sums paid to the commission under this chapter, including
4 those sums collected for license fees and excluding those sums
5 collected under RCW 67.16.102, 67.16.105(3), and 67.16.105(4), shall be
6 disposed of by the commission as follows:

7 (a) Fifty percent thereof shall be retained by the commission for
8 the payment of the salaries of its members, secretary, clerical,
9 office, and other help and all expenses incurred in carrying out the
10 provisions of this chapter. No salary, wages, expenses, or
11 compensation of any kind shall be paid by the state in connection with
12 the work of the commission.

13 (b) One percent shall, on the next business day following the
14 receipt thereof, be paid to the state treasurer to be deposited in the
15 general fund.

16 (c) Three percent shall, on the next business day following the
17 receipt thereof, be paid to the state treasurer, who is hereby made ex
18 officio treasurer of a fund to be known as the "state trade fair fund"
19 which shall be maintained as a separate and independent fund, and made
20 available to the director of ((community~~7~~)) trade((~~7~~)) and economic
21 development for the sole purpose of assisting state trade fairs.

22 (d) Forty-six percent shall be paid to the state treasurer, who is
23 hereby made ex officio treasurer of a fund to be known as the "fair
24 fund," which shall be maintained as a separate and independent fund
25 outside of the state treasury, and made available to the director of
26 agriculture for the sole purpose of assisting fairs in the manner
27 provided in Title 15 RCW.

28 (2) Any moneys collected or paid to the commission under the terms
29 of this chapter and not expended at the close of the fiscal biennium
30 shall be paid to the state treasurer and be placed in the general fund.
31 The commission may, with the approval of the office of financial
32 management, retain any sum required for working capital.

33 **Sec. 342.** RCW 70.95.265 and 1995 c 399 s 190 are each amended to
34 read as follows:

35 The department shall work closely with the department of
36 ((community~~7~~)) trade((~~7~~)) and economic development, the department of
37 general administration, and with other state departments and agencies,
38 the Washington state association of counties, the association of

1 Washington cities, and business associations, to carry out the
2 objectives and purposes of chapter 41, Laws of 1975-'76 2nd ex. sess.

3 **Sec. 343.** RCW 70.95.810 and 1995 c 399 s 191 are each amended to
4 read as follows:

5 (1) In order to establish the feasibility of composting food and
6 yard wastes, the department shall provide funds, as available, to local
7 governments submitting a proposal to compost such wastes.

8 (2) The department, in cooperation with the department of
9 ((community)) trade(()) and economic development, may approve an
10 application if the project can demonstrate the essential parameters for
11 successful composting, including, but not limited to, cost-
12 effectiveness, handling and safety requirements, and current and
13 potential markets.

14 (3) The department shall periodically report to the appropriate
15 standing committees of the legislature on the need for, and feasibility
16 of, composting systems for food and yard wastes.

17 **Sec. 344.** RCW 70.95H.007 and 1995 c 399 s 192 are each amended to
18 read as follows:

19 There is created the clean Washington center within the department
20 of ((community)) trade(()) and economic development. As used in this
21 chapter, "center" means the clean Washington center.

22 **Sec. 345.** RCW 70.95H.050 and 1995 c 399 s 194 are each amended to
23 read as follows:

24 The center shall solicit financial contributions and support from
25 manufacturing industries and other private sector sources, foundations,
26 and grants from governmental sources to assist in conducting its
27 activities. It may also use separately appropriated funds of the
28 department of ((community)) trade(()) and economic development for
29 the center's activities.

30 **Sec. 346.** RCW 76.09.030 and 1995 c 399 s 207 are each amended to
31 read as follows:

32 (1) There is hereby created the forest practices board of the state
33 of Washington as an agency of state government consisting of members as
34 follows:

1 (a) The commissioner of public lands or the commissioner's
2 designee;

3 (b) The director of the department of ((community,)) trade((,)) and
4 economic development or the director's designee;

5 (c) The director of the department of agriculture or the director's
6 designee;

7 (d) The director of the department of ecology or the director's
8 designee;

9 (e) An elected member of a county legislative authority appointed
10 by the governor: PROVIDED, That such member's service on the board
11 shall be conditioned on the member's continued service as an elected
12 county official; and

13 (f) Six members of the general public appointed by the governor,
14 one of whom shall be an owner of not more than five hundred acres of
15 forest land, and one of whom shall be an independent logging
16 contractor.

17 (2) The members of the initial board appointed by the governor
18 shall be appointed so that the term of one member shall expire December
19 31, 1975, the term of one member shall expire December 31, 1976, the
20 term of one member shall expire December 31, 1977, the terms of two
21 members shall expire December 31, 1978, and the terms of two members
22 shall expire December 31, 1979. Thereafter, each member shall be
23 appointed for a term of four years. Vacancies on the board shall be
24 filled in the same manner as the original appointments. Each member of
25 the board shall continue in office until his or her successor is
26 appointed and qualified. The commissioner of public lands or the
27 commissioner's designee shall be the chairman of the board.

28 (3) The board shall meet at such times and places as shall be
29 designated by the chairman or upon the written request of the majority
30 of the board. The principal office of the board shall be at the state
31 capital.

32 (4) Members of the board, except public employees and elected
33 officials, shall be compensated in accordance with RCW 43.03.250. Each
34 member shall be entitled to reimbursement for travel expenses incurred
35 in the performance of their duties as provided in RCW 43.03.050 and
36 43.03.060.

37 (5) The board may employ such clerical help and staff pursuant to
38 chapter 41.06 RCW as is necessary to carry out its duties.

1 **Sec. 347.** RCW 76.56.020 and 1994 c 282 s 1 are each amended to
2 read as follows:

3 The center shall:

4 (1) Coordinate the University of Washington's college of forest
5 resources' faculty and staff expertise to assist in:

6 (a) The development of research and analysis for developing
7 policies and strategies which will expand forest-based international
8 trade, including a major focus on secondary manufacturing;

9 (b) The development of technology or commercialization support for
10 manufactured products that will meet the evolving needs of
11 international customers;

12 (c) The development of research and analysis on other factors
13 critical to forest-based trade, including the quality and availability
14 of raw wood resources; and

15 (d) The coordination, development, and dissemination of market and
16 technical information relevant to international trade in forest
17 products, including a major focus on secondary manufacturing;

18 (2) Further develop and maintain computer data bases on world-wide
19 forest products production and trade in order to monitor and report on
20 trends significant to the Northwest forest products industry and
21 support the center's research functions; and coordinate this system
22 with state, federal, and private sector efforts to insure a cost-
23 effective information resource that will avoid unnecessary duplication;

24 (3) Monitor international forest products markets and assess the
25 status of the state's forest products industry, including the
26 competitiveness of small and medium-sized secondary manufacturing firms
27 in the forest products industry, which for the purposes of this chapter
28 shall be firms with annual revenues of twenty-five million or less, and
29 including the increased exports of Washington-produced products of
30 small and medium-sized secondary manufacturing firms;

31 (4) Provide high-quality research and graduate education and
32 professional nondegree training in international trade in forest
33 products in cooperation with the University of Washington's graduate
34 school of business administration, the school of law, the Jackson
35 school of international studies, the Northwest policy center of the
36 graduate school of public administration, and other supporting academic
37 units;

38 (5) Develop cooperative linkages with the international marketing
39 program for agricultural commodities and trade at Washington State

1 University, the international trade project of the United States forest
2 service, the department of natural resources, the department of
3 ((community,)) trade((,)) and economic development, the small business
4 export finance assistance center, and other state and federal agencies
5 to avoid duplication of effort and programs;

6 (6) Cooperate with personnel from the state's community and
7 technical colleges in their development of wood products manufacturing
8 and wood technology curriculum and offer periodic workshops on wood
9 products manufacturing, wood technology, and trade opportunities to
10 community colleges and private educators and trainers;

11 (7) Provide for public dissemination of research, analysis, and
12 results of the center's programs to all groups, including direct
13 assistance groups, through technical workshops, short courses,
14 international and national symposia, cooperation with private sector
15 networks and marketing associations, or other means, including
16 appropriate publications;

17 (8) Establish an executive policy board, including representatives
18 of small and medium-sized businesses, with at least fifty percent of
19 its business members representing small businesses with one hundred or
20 fewer employees and medium-sized businesses with one hundred to five
21 hundred employees. The executive policy board shall also include a
22 representative of the community and technical colleges, representatives
23 of state and federal agencies, and a representative of a wood products
24 manufacturing network or trade association of small and medium-sized
25 wood product manufacturers. The executive policy board shall provide
26 advice on: Overall policy direction and program priorities, state and
27 federal budget requests, securing additional research funds,
28 identifying priority areas of focus for research efforts, selection of
29 projects for research, and dissemination of results of research
30 efforts; and

31 (9) Establish advisory or technical committees for each research
32 program area, to advise on research program area priorities, consistent
33 with the international trade opportunities achievable by the forest
34 products sector of the state and region, to help ensure projects are
35 relevant to industry needs, and to advise on and support effective
36 dissemination of research results. Each advisory or technical
37 committee shall include representatives of forest products industries
38 that might benefit from this research.

1 Service on the committees and the executive policy board
2 established in subsections (8) and (9) of this section shall be without
3 compensation but actual travel expenses incurred in connection with
4 service to the center may be reimbursed from appropriated funds in
5 accordance with RCW 43.03.050 and 43.03.060.

6 **Sec. 348.** RCW 77.12.710 and 1995 c 399 s 208 are each amended to
7 read as follows:

8 The legislature hereby directs the department to determine the
9 feasibility and cost of doubling the state-wide game fish production by
10 the year 2000. The department shall seek to equalize the effort and
11 investment expended on anadromous and resident game fish programs. The
12 department shall provide the legislature with a specific plan for
13 legislative approval that will outline the feasibility of increasing
14 game fish production by one hundred percent over current levels by the
15 year 2000. The plan shall contain specific provisions to increase both
16 hatchery and naturally spawning game fish to a level that will support
17 the production goal established in this section consistent with
18 department policies. Steelhead trout, searun cutthroat trout, resident
19 trout, and warmwater fish producing areas of the state shall be
20 included in the plan. The department shall provide the plan to the
21 house of representatives and senate ways and means, environment and
22 natural resources, environmental affairs, fisheries and wildlife, and
23 natural resources committees by December 31, 1990.

24 The plan shall include the following critical elements:

25 (1) Methods of determining current catch and production, and catch
26 and production in the year 2000;

27 (2) Methods of involving fishing groups, including Indian tribes,
28 in a cooperative manner;

29 (3) Methods for using low capital cost projects to produce game
30 fish as inexpensively as possible;

31 (4) Methods for renovating and modernizing all existing hatcheries
32 and rearing ponds to maximize production capability;

33 (5) Methods for increasing the productivity of natural spawning
34 game fish;

35 (6) Application of new technology to increase hatchery and natural
36 productivity;

37 (7) Analysis of the potential for private contractors to produce
38 game fish for public fisheries;

1 (8) Methods to optimize public volunteer efforts and cooperative
2 projects for maximum efficiency;

3 (9) Methods for development of trophy game fish fisheries;

4 (10) Elements of coordination with the Pacific Northwest Power
5 Council programs to ensure maximum Columbia river benefits;

6 (11) The role that should be played by private consulting companies
7 in developing and implementing the plan;

8 (12) Coordination with federal fish and wildlife agencies, Indian
9 tribes, and department fish production programs;

10 (13) Future needs for game fish predator control measures;

11 (14) Development of disease control measures;

12 (15) Methods for obtaining access to waters currently not available
13 to anglers; and

14 (16) Development of research programs to support game fish
15 management and enhancement programs.

16 The department, in cooperation with the department of revenue,
17 shall assess various funding mechanisms and make recommendations to the
18 legislature in the plan. The department, in cooperation with the
19 department of ((community,)) trade((,)) and economic development, shall
20 prepare an analysis of the economic benefits to the state that will
21 occur when the game fish production is increased by one hundred percent
22 in the year 2000.

23 **Sec. 349.** RCW 81.80.450 and 1995 c 399 s 212 are each amended to
24 read as follows:

25 (1) The department of ((community,)) trade((,)) and economic
26 development, in conjunction with the utilities and transportation
27 commission and the department of ecology, shall evaluate the effect of
28 exempting motor vehicles transporting recovered materials from rate
29 regulation as provided under RCW 81.80.440. The evaluation shall, at
30 a minimum, describe the effect of such exemption on:

31 (a) The cost and timeliness of transporting recovered materials
32 within the state;

33 (b) The volume of recovered materials transported within the state;

34 (c) The number of safety violations and traffic accidents related
35 to transporting recovered materials within the state; and

36 (d) The availability of service related to transporting recovered
37 materials from rural areas of the state.

1 (2) The department shall report the results of its evaluation to
2 the appropriate standing committees of the legislature by October 1,
3 1993.

4 (3) The commission shall adopt rules requiring persons transporting
5 recovered materials to submit information required under RCW 70.95.280.
6 In adopting such rules, the commission shall include procedures to
7 ensure the confidentiality of proprietary information.

8 **Sec. 350.** RCW 82.23B.020 and 1995 c 399 s 214 are each amended to
9 read as follows:

10 (1) An oil spill response tax is imposed on the privilege of
11 receiving crude oil or petroleum products at a marine terminal within
12 this state from a waterborne vessel or barge operating on the navigable
13 waters of this state. The tax imposed in this section is levied upon
14 the owner of the crude oil or petroleum products immediately after
15 receipt of the same into the storage tanks of a marine terminal from a
16 waterborne vessel or barge at the rate of two cents per barrel of crude
17 oil or petroleum product received.

18 (2) In addition to the tax imposed in subsection (1) of this
19 section, an oil spill administration tax is imposed on the privilege of
20 receiving crude oil or petroleum products at a marine terminal within
21 this state from a waterborne vessel or barge operating on the navigable
22 waters of this state. The tax imposed in this section is levied upon
23 the owner of the crude oil or petroleum products immediately after
24 receipt of the same into the storage tanks of a marine terminal from a
25 waterborne vessel or barge at the rate of three cents per barrel of
26 crude oil or petroleum product.

27 (3) The taxes imposed by this chapter shall be collected by the
28 marine terminal operator from the taxpayer. If any person charged with
29 collecting the taxes fails to bill the taxpayer for the taxes, or in
30 the alternative has not notified the taxpayer in writing of the
31 imposition of the taxes, or having collected the taxes, fails to pay
32 them to the department in the manner prescribed by this chapter,
33 whether such failure is the result of the person's own acts or the
34 result of acts or conditions beyond the person's control, he or she
35 shall, nevertheless, be personally liable to the state for the amount
36 of the taxes. Payment of the taxes by the owner to a marine terminal
37 operator shall relieve the owner from further liability for the taxes.

1 (4) Taxes collected under this chapter shall be held in trust until
2 paid to the department. Any person collecting the taxes who
3 appropriates or converts the taxes collected shall be guilty of a gross
4 misdemeanor if the money required to be collected is not available for
5 payment on the date payment is due. The taxes required by this chapter
6 to be collected shall be stated separately from other charges made by
7 the marine terminal operator in any invoice or other statement of
8 account provided to the taxpayer.

9 (5) If a taxpayer fails to pay the taxes imposed by this chapter to
10 the person charged with collection of the taxes and the person charged
11 with collection fails to pay the taxes to the department, the
12 department may, in its discretion, proceed directly against the
13 taxpayer for collection of the taxes.

14 (6) The taxes shall be due from the marine terminal operator, along
15 with reports and returns on forms prescribed by the department, within
16 twenty-five days after the end of the month in which the taxable
17 activity occurs.

18 (7) The amount of taxes, until paid by the taxpayer to the marine
19 terminal operator or to the department, shall constitute a debt from
20 the taxpayer to the marine terminal operator. Any person required to
21 collect the taxes under this chapter who, with intent to violate the
22 provisions of this chapter, fails or refuses to do so as required and
23 any taxpayer who refuses to pay any taxes due under this chapter, shall
24 be guilty of a misdemeanor as provided in chapter 9A.20 RCW.

25 (8) Upon prior approval of the department, the taxpayer may pay the
26 taxes imposed by this chapter directly to the department. The
27 department shall give its approval for direct payment under this
28 section whenever it appears, in the department's judgment, that direct
29 payment will enhance the administration of the taxes imposed under this
30 chapter. The department shall provide by rule for the issuance of a
31 direct payment certificate to any taxpayer qualifying for direct
32 payment of the taxes. Good faith acceptance of a direct payment
33 certificate by a terminal operator shall relieve the marine terminal
34 operator from any liability for the collection or payment of the taxes
35 imposed under this chapter.

36 (9) All receipts from the tax imposed in subsection (1) of this
37 section shall be deposited into the state oil spill response account.
38 All receipts from the tax imposed in subsection (2) of this section
39 shall be deposited into the oil spill administration account.

1 (10) Within forty-five days after the end of each calendar quarter,
2 the office of financial management shall determine the balance of the
3 oil spill response account as of the last day of that calendar quarter.
4 Balance determinations by the office of financial management under this
5 section are final and shall not be used to challenge the validity of
6 any tax imposed under this chapter. The office of financial management
7 shall promptly notify the departments of revenue and ecology of the
8 account balance once a determination is made. For each subsequent
9 calendar quarter, the tax imposed by subsection (1) of this section
10 shall be imposed during the entire calendar quarter unless:

11 (a) Tax was imposed under subsection (1) of this section during the
12 immediately preceding calendar quarter, and the most recent quarterly
13 balance is more than twenty-five million dollars; or

14 (b) Tax was not imposed under subsection (1) of this section during
15 the immediately preceding calendar quarter, and the most recent
16 quarterly balance is more than fifteen million dollars.

17 (11) The office of marine safety, the department of revenue, and
18 the department of ((community~~7~~)) trade((~~7~~)) and economic development
19 shall study tax credits for taxpayers employing vessels with the best
20 achievable technology and the best available protection to reduce the
21 risk of oil spills to the navigable waters of the state and submit the
22 study to the appropriate standing committees of the legislature by
23 December 1, 1992.

24 **Sec. 351.** RCW 82.61.070 and 1995 c 399 s 215 are each amended to
25 read as follows:

26 The department and the department of ((community~~7~~)) trade((~~7~~)) and
27 economic development shall jointly report to the legislature about the
28 effects of this chapter on new manufacturing and research and
29 development activities in this state. The report shall contain
30 information concerning the number of deferral certificates granted, the
31 amount of sales tax deferred, the number of jobs created and other
32 information useful in measuring such effects. Reports shall be
33 submitted by January 1, 1986, and by January 1 of each year through
34 1999.

35 **Sec. 352.** RCW 88.12.275 and 1995 c 399 s 216 are each amended to
36 read as follows:

1 (1) Any person carrying passengers for hire on whitewater river
2 sections in this state may register with the department of licensing.
3 Each registration application shall be submitted annually on a form
4 provided by the department of licensing and shall include the following
5 information:

6 (a) The name, residence address, and residence telephone number,
7 and the business name, address, and telephone number of the registrant;

8 (b) Proof that the registrant has liability insurance for a minimum
9 of three hundred thousand dollars per claim for occurrences by the
10 registrant and the registrant's employees that result in bodily injury
11 or property damage; and

12 (c) Certification that the registrant will maintain the insurance
13 for a period of not less than one year from the date of registration.

14 (2) The department of licensing shall charge a fee for each
15 application, to be set in accordance with RCW 43.24.086.

16 (3) Any person advertising or representing themselves as having
17 registered under this section who is not currently registered is guilty
18 of a gross misdemeanor.

19 (4) The department of licensing shall submit annually a list of
20 registered persons and companies to the department of ((community,))
21 trade((,)) and economic development, tourism promotion division.

22 (5) If an insurance company cancels or refuses to renew insurance
23 for a registrant during the period of registration, the insurance
24 company shall notify the department of licensing in writing of the
25 termination of coverage and its effective date not less than thirty
26 days before the effective date of termination.

27 (a) Upon receipt of an insurance company termination notice, the
28 department of licensing shall send written notice to the registrant
29 that on the effective date of termination the department of licensing
30 will suspend the registration unless proof of insurance as required by
31 this section is filed with the department of licensing before the
32 effective date of the termination.

33 (b) If an insurance company fails to give notice of coverage
34 termination, this failure shall not have the effect of continuing the
35 coverage.

36 (c) The department of licensing may suspend or revoke registration
37 under this section if the registrant fails to maintain in full force
38 and effect the insurance required by this section.

1 (6) The state of Washington shall be immune from any civil action
2 arising from a registration under this section.

3 **PART IV**

4 **REFERENCES TO DEPARTMENT OF COMMUNITY DEVELOPMENT**
5 **AND DEPARTMENT OF TRADE AND ECONOMIC DEVELOPMENT**

6 **Sec. 401.** RCW 41.06.070 and 1996 c 319 s 3, 1996 c 288 s 33, and
7 1996 c 186 s 109 are each reenacted and amended to read as follows:

8 (1) The provisions of this chapter do not apply to:

9 (a) The members of the legislature or to any employee of, or
10 position in, the legislative branch of the state government including
11 members, officers, and employees of the legislative council, joint
12 legislative audit and review committee, statute law committee, and any
13 interim committee of the legislature;

14 (b) The justices of the supreme court, judges of the court of
15 appeals, judges of the superior courts or of the inferior courts, or to
16 any employee of, or position in the judicial branch of state
17 government;

18 (c) Officers, academic personnel, and employees of technical
19 colleges;

20 (d) The officers of the Washington state patrol;

21 (e) Elective officers of the state;

22 (f) The chief executive officer of each agency;

23 (g) In the departments of employment security and social and health
24 services, the director and the director's confidential secretary; in
25 all other departments, the executive head of which is an individual
26 appointed by the governor, the director, his or her confidential
27 secretary, and his or her statutory assistant directors;

28 (h) In the case of a multimember board, commission, or committee,
29 whether the members thereof are elected, appointed by the governor or
30 other authority, serve ex officio, or are otherwise chosen:

31 (i) All members of such boards, commissions, or committees;

32 (ii) If the members of the board, commission, or committee serve on
33 a part-time basis and there is a statutory executive officer: The
34 secretary of the board, commission, or committee; the chief executive
35 officer of the board, commission, or committee; and the confidential
36 secretary of the chief executive officer of the board, commission, or
37 committee;

1 (iii) If the members of the board, commission, or committee serve
2 on a full-time basis: The chief executive officer or administrative
3 officer as designated by the board, commission, or committee; and a
4 confidential secretary to the chair of the board, commission, or
5 committee;

6 (iv) If all members of the board, commission, or committee serve ex
7 officio: The chief executive officer; and the confidential secretary
8 of such chief executive officer;

9 (i) The confidential secretaries and administrative assistants in
10 the immediate offices of the elective officers of the state;

11 (j) Assistant attorneys general;

12 (k) Commissioned and enlisted personnel in the military service of
13 the state;

14 (l) Inmate, student, part-time, or temporary employees, and part-
15 time professional consultants, as defined by the Washington personnel
16 resources board;

17 (m) The public printer or to any employees of or positions in the
18 state printing plant;

19 (n) Officers and employees of the Washington state fruit
20 commission;

21 (o) Officers and employees of the Washington state apple
22 advertising commission;

23 (p) Officers and employees of the Washington state dairy products
24 commission;

25 (q) Officers and employees of the Washington tree fruit research
26 commission;

27 (r) Officers and employees of the Washington state beef commission;

28 (s) Officers and employees of any commission formed under chapter
29 15.66 RCW;

30 (t) Officers and employees of the state wheat commission formed
31 under chapter 15.63 RCW;

32 (u) Officers and employees of agricultural commissions formed under
33 chapter 15.65 RCW;

34 (v) Officers and employees of the nonprofit corporation formed
35 under chapter 67.40 RCW;

36 (w) Executive assistants for personnel administration and labor
37 relations in all state agencies employing such executive assistants
38 including but not limited to all departments, offices, commissions,
39 committees, boards, or other bodies subject to the provisions of this

1 chapter and this subsection shall prevail over any provision of law
2 inconsistent herewith unless specific exception is made in such law;

3 (x) In each agency with fifty or more employees: Deputy agency
4 heads, assistant directors or division directors, and not more than
5 three principal policy assistants who report directly to the agency
6 head or deputy agency heads;

7 (y) All employees of the marine employees' commission;

8 (z) Up to a total of five senior staff positions of the western
9 library network under chapter 27.26 RCW responsible for formulating
10 policy or for directing program management of a major administrative
11 unit. This subsection (1)(z) shall expire on June 30, 1997;

12 (aa) Staff employed by the departments of community(~~(, trade, and~~
13 ~~economic))~~ development and trade and economic development to administer
14 energy policy functions and manage energy site evaluation council
15 activities under RCW 43.21F.045(2)(m);

16 (bb) Staff employed by Washington State University to administer
17 energy education, applied research, and technology transfer programs
18 under RCW 43.21F.045 as provided in RCW 28B.30.900(5).

19 (2) The following classifications, positions, and employees of
20 institutions of higher education and related boards are hereby exempted
21 from coverage of this chapter:

22 (a) Members of the governing board of each institution of higher
23 education and related boards, all presidents, vice-presidents, and
24 their confidential secretaries, administrative, and personal
25 assistants; deans, directors, and chairs; academic personnel; and
26 executive heads of major administrative or academic divisions employed
27 by institutions of higher education; principal assistants to executive
28 heads of major administrative or academic divisions; other managerial
29 or professional employees in an institution or related board having
30 substantial responsibility for directing or controlling program
31 operations and accountable for allocation of resources and program
32 results, or for the formulation of institutional policy, or for
33 carrying out personnel administration or labor relations functions,
34 legislative relations, public information, development, senior computer
35 systems and network programming, or internal audits and investigations;
36 and any employee of a community college district whose place of work is
37 one which is physically located outside the state of Washington and who
38 is employed pursuant to RCW 28B.50.092 and assigned to an educational
39 program operating outside of the state of Washington;

1 (b) Student, part-time, or temporary employees, and part-time
2 professional consultants, as defined by the Washington personnel
3 resources board, employed by institutions of higher education and
4 related boards;

5 (c) The governing board of each institution, and related boards,
6 may also exempt from this chapter classifications involving research
7 activities, counseling of students, extension or continuing education
8 activities, graphic arts or publications activities requiring
9 prescribed academic preparation or special training as determined by
10 the board: PROVIDED, That no nonacademic employee engaged in office,
11 clerical, maintenance, or food and trade services may be exempted by
12 the board under this provision;

13 (d) Printing craft employees in the department of printing at the
14 University of Washington.

15 (3) In addition to the exemptions specifically provided by this
16 chapter, the Washington personnel resources board may provide for
17 further exemptions pursuant to the following procedures. The governor
18 or other appropriate elected official may submit requests for exemption
19 to the Washington personnel resources board stating the reasons for
20 requesting such exemptions. The Washington personnel resources board
21 shall hold a public hearing, after proper notice, on requests submitted
22 pursuant to this subsection. If the board determines that the position
23 for which exemption is requested is one involving substantial
24 responsibility for the formulation of basic agency or executive policy
25 or one involving directing and controlling program operations of an
26 agency or a major administrative division thereof, the Washington
27 personnel resources board shall grant the request and such
28 determination shall be final as to any decision made before July 1,
29 1993. The total number of additional exemptions permitted under this
30 subsection shall not exceed one percent of the number of employees in
31 the classified service not including employees of institutions of
32 higher education and related boards for those agencies not directly
33 under the authority of any elected public official other than the
34 governor, and shall not exceed a total of twenty-five for all agencies
35 under the authority of elected public officials other than the
36 governor. The Washington personnel resources board shall report to
37 each regular session of the legislature during an odd-numbered year all
38 exemptions granted under subsections (1)(w) and (x) and (2) of this
39 section, together with the reasons for such exemptions.

1 The salary and fringe benefits of all positions presently or
2 hereafter exempted except for the chief executive officer of each
3 agency, full-time members of boards and commissions, administrative
4 assistants and confidential secretaries in the immediate office of an
5 elected state official, and the personnel listed in subsections (1)(j)
6 through (v), (y), (z), and (2) of this section, shall be determined by
7 the Washington personnel resources board. However, beginning with
8 changes proposed for the 1997-99 fiscal biennium, changes to the
9 classification plan affecting exempt salaries must meet the same
10 provisions for classified salary increases resulting from adjustments
11 to the classification plan as outlined in RCW 41.06.152.

12 Any person holding a classified position subject to the provisions
13 of this chapter shall, when and if such position is subsequently
14 exempted from the application of this chapter, be afforded the
15 following rights: If such person previously held permanent status in
16 another classified position, such person shall have a right of
17 reversion to the highest class of position previously held, or to a
18 position of similar nature and salary.

19 Any classified employee having civil service status in a classified
20 position who accepts an appointment in an exempt position shall have
21 the right of reversion to the highest class of position previously
22 held, or to a position of similar nature and salary.

23 A person occupying an exempt position who is terminated from the
24 position for gross misconduct or malfeasance does not have the right of
25 reversion to a classified position as provided for in this section.

26 **Sec. 402.** RCW 41.06.072 and 1995 c 399 s 59 are each amended to
27 read as follows:

28 In addition to the exemptions set forth in this chapter, this
29 chapter shall not apply within the departments of community(~~(, trade,~~
30 ~~and economic)) development and trade and economic development to the
31 director(~~(,)) and one confidential secretary for each department, the
32 deputy directors, all assistant directors, the state historic
33 preservation officer, and up to two professional staff members within
34 the emergency management program.~~~~

35 **Sec. 403.** RCW 43.06.115 and 1996 c 186 s 505 are each amended to
36 read as follows:

37 (1) The governor may, by executive order, after consultation with

1 or notification of the executive-legislative committee on economic
2 development created by chapter . . . (Senate Bill No. 5300), Laws of
3 1993, declare a community to be a "military impacted area." A
4 "military impacted area" means a community or communities, as
5 identified in the executive order, that experience serious social and
6 economic hardships because of a change in defense spending by the
7 federal government in that community or communities.

8 (2) If the governor executes an order under subsection (1) of this
9 section, the governor shall establish a response team to coordinate
10 state efforts to assist the military impacted community. The response
11 team may include, but not be limited to, one member from each of the
12 following agencies: (a) The department of community(~~(, trade, and~~
13 ~~economic)) development; (b) the department of trade and economic
14 development; (c) the department of social and health services; (~~(+e))~~)
15 (d) the employment security department; (~~(+d))~~) (e) the state board for
16 community and technical colleges; (~~(+e))~~) (f) the higher education
17 coordinating board; and (~~(+f))~~) (g) the department of transportation.
18 The governor may appoint a response team coordinator. The governor
19 shall seek to actively involve the impacted community or communities in
20 planning and implementing a response to the crisis. The governor may
21 seek input or assistance from the community diversification advisory
22 committee, and the governor may establish task forces in the community
23 or communities to assist in the coordination and delivery of services
24 to the local community. The state and community response shall
25 consider economic development, human service, and training needs of the
26 community or communities impacted.~~

27 (3) The governor shall report at the beginning of the next
28 legislative session to the legislature and the executive-legislative
29 committee on economic development created by chapter . . . (Senate Bill
30 No. 5300), Laws of 1993, as to the designation of a military impacted
31 area. The report shall include recommendations regarding whether a
32 military impacted area should become eligible for (a) funding provided
33 by the community economic revitalization board, public facilities
34 construction loan revolving account, Washington state development loan
35 fund, basic health plan, the public works assistance account,
36 department of community, trade, and economic development, employment
37 security department, and department of transportation; (b) training for
38 dislocated defense workers; or (c) services for dislocated defense
39 workers.

1 **Sec. 404.** RCW 43.17.010 and 1993 sp.s. c 2 s 16, 1993 c 472 s 17,
2 and 1993 c 280 s 18 are each reenacted and amended to read as follows:

3 There shall be departments of the state government which shall be
4 known as (1) the department of social and health services, (2) the
5 department of ecology, (3) the department of labor and industries, (4)
6 the department of agriculture, (5) the department of fish and wildlife,
7 (6) the department of transportation, (7) the department of licensing,
8 (8) the department of general administration, (9) the department of
9 community(~~(, trade, and economic)~~) development, (10) the department of
10 veterans affairs, (11) the department of revenue, (12) the department
11 of retirement systems, (13) the department of corrections, (~~(and)~~) (14)
12 the department of health, (~~(and)~~) (15) the department of financial
13 institutions, and (16) the department of trade and economic
14 development, which shall be charged with the execution, enforcement,
15 and administration of such laws, and invested with such powers and
16 required to perform such duties, as the legislature may provide.

17 **Sec. 405.** RCW 43.17.020 and 1995 1st sp.s. c 2 s 2 (Referendum
18 Bill No. 45) are each amended to read as follows:

19 There shall be a chief executive officer of each department to be
20 known as: (1) The secretary of social and health services, (2) the
21 director of ecology, (3) the director of labor and industries, (4) the
22 director of agriculture, (5) the director of fish and wildlife, (6) the
23 secretary of transportation, (7) the director of licensing, (8) the
24 director of general administration, (9) the director of community(~~(, trade, and economic)~~) development, (10) the director of veterans
25 affairs, (11) the director of revenue, (12) the director of retirement
26 systems, (13) the secretary of corrections, (~~(and)~~) (14) the secretary
27 of health, (~~(and)~~) (15) the director of financial institutions, and
28 (16) the director of trade and economic development.

30 Such officers, except the secretary of transportation and the
31 director of fish and wildlife, shall be appointed by the governor, with
32 the consent of the senate, and hold office at the pleasure of the
33 governor. The secretary of transportation shall be appointed by the
34 transportation commission as prescribed by RCW 47.01.041. The director
35 of fish and wildlife shall be appointed by the fish and wildlife
36 commission as prescribed by RCW 77.04.055.

1 **Sec. 406.** RCW 43.143.040 and 1995 c 399 s 83 are each amended to
2 read as follows:

3 Prior to September 1, 1994, the department of natural resources and
4 the department of ecology, working together and at the direction of the
5 joint select committee on marine and ocean resources, shall complete an
6 analysis of the potential positive and negative impacts of the leasing
7 of state-owned lands which is described in RCW 43.143.010(2). The
8 department shall consult with the departments of fish and wildlife
9 (~~and~~), community(~~(, trade, and economic))~~ development, and trade and
10 economic development, and with the public, when preparing this
11 analysis. The analysis shall be presented to the legislature no later
12 than September 1, 1994. This analysis shall be used by the legislature
13 in determining whether the oil and gas leasing moratorium contained in
14 RCW 43.143.010 should be extended.

15 **Sec. 407.** RCW 43.160.030 and 1996 c 51 s 3 are each amended to
16 read as follows:

17 (1) The community economic revitalization board is hereby created
18 to exercise the powers granted under this chapter.

19 (2) The board shall consist of the chairman of and one minority
20 member appointed by the speaker of the house of representatives from
21 the committee of the house of representatives that deals with issues of
22 economic development, the chairman of and one minority member appointed
23 by the president of the senate from the committee of the senate that
24 deals with issues of economic development, and the following members
25 appointed by the governor: A recognized private or public sector
26 economist; one port district official; one county official; one city
27 official; one representative of the public; one representative of small
28 businesses each from: (a) The area west of Puget Sound, (b) the area
29 east of Puget Sound and west of the Cascade range, (c) the area east of
30 the Cascade range and west of the Columbia river, and (d) the area east
31 of the Columbia river; one executive from large businesses each from
32 the area west of the Cascades and the area east of the Cascades. The
33 appointive members shall initially be appointed to terms as follows:
34 Three members for one-year terms, three members for two-year terms, and
35 three members for three-year terms which shall include the chair.
36 Thereafter each succeeding term shall be for three years. The chair of
37 the board shall be selected by the governor. The members of the board
38 shall elect one of their members to serve as vice-chair. The director

1 of community(~~(, trade, and economic)~~) development, the director of
2 trade and economic development, the director of revenue, the
3 commissioner of employment security, and the secretary of
4 transportation shall serve as nonvoting advisory members of the board.

5 (3) Management services, including fiscal and contract services,
6 shall be provided by the department to assist the board in implementing
7 this chapter and the allocation of private activity bonds.

8 (4) Members of the board shall be reimbursed for travel expenses as
9 provided in RCW 43.03.050 and 43.03.060.

10 (5) If a vacancy occurs by death, resignation, or otherwise of
11 appointive members of the board, the governor shall fill the same for
12 the unexpired term. Members of the board may be removed for
13 malfeasance or misfeasance in office, upon specific written charges by
14 the governor, under chapter 34.05 RCW.

15 (6) A member appointed by the governor may not be absent from more
16 than fifty percent of the regularly scheduled meetings in any one
17 calendar year. Any member who exceeds this absence limitation is
18 deemed to have withdrawn from the office and may be replaced by the
19 governor.

20 **Sec. 408.** RCW 43.163.060 and 1995 c 399 s 90 are each amended to
21 read as follows:

22 (1) The authority is authorized to participate fully in federal and
23 other governmental economic development finance programs and to take
24 such actions as are necessary and consistent with this chapter to
25 secure to itself and the people of the state the benefits of those
26 programs and to meet their requirements.

27 (2) The authority shall coordinate its programs with those
28 contributing to a common purpose found elsewhere in the departments of
29 community(~~(, trade, and economic)~~) development, trade and economic
30 development, agriculture or employment security, or any other
31 department or organization of, or affiliated with, the state or federal
32 government, and shall avoid any duplication of such activities or
33 programs provided elsewhere. The departments of community(~~(, trade,~~
34 ~~and economic)~~) development, trade and economic development,
35 agriculture, employment security and other relevant state agencies
36 shall provide to the authority all reports prepared in the course of
37 their ongoing activities which may assist in the identification of

1 unmet capital financing needs by small-sized and medium-sized
2 businesses in the state.

3 **Sec. 409.** RCW 47.39.090 and 1995 c 399 s 123 are each amended to
4 read as follows:

5 In developing the scenic and recreational highways program, the
6 department shall consult with the department of community(~~(, trade, and~~
7 ~~economic))~~ development, the department of trade and economic
8 development, the department of natural resources, the parks and
9 recreation commission, affected cities, towns, and counties, regional
10 transportation planning organizations, state-wide bicycling
11 organizations, and other interested parties. The scenic and
12 recreational highways program may identify entire highway loops or
13 similar tourist routes that could be developed to promote tourist
14 activity and provide concurrent economic growth while protecting the
15 scenic and recreational quality surrounding state highways.

16 **Sec. 410.** RCW 47.76.230 and 1995 c 380 s 4 are each amended to
17 read as follows:

18 (1) The department of transportation shall continue its
19 responsibility for the development and implementation of the state rail
20 plan and programs, and the utilities and transportation commission
21 shall continue its responsibility for intrastate rates, service, and
22 safety issues.

23 (2) The department of transportation shall maintain an enhanced
24 data file on the rail system. Proprietary annual station traffic data
25 from each railroad and the modal use of major shippers shall be
26 obtained to the extent that such information is available.

27 (3) The department of transportation shall provide technical
28 assistance, upon request, to state agencies and local interests.
29 Technical assistance includes, but is not limited to, the following:

30 (a) Rail project cost-benefit analyses conducted in accordance with
31 methodologies recommended by the Federal Railroad Administration;

32 (b) Assistance in the formation of county rail districts and port
33 districts; and

34 (c) Feasibility studies for rail service continuation and/or rail
35 service assistance.

36 (4) With funding authorized by the legislature, the department of
37 transportation, in collaboration with the department of community(~~(,~~

1 ~~trade, and economic~~) development, the department of trade and economic
2 development, and local economic development agencies, and other
3 interested public and private organizations, shall develop a
4 cooperative process to conduct community and business information
5 programs and to regularly disseminate information on rail matters.

6 **Sec. 411.** RCW 50.38.030 and 1995 c 399 s 142 are each amended to
7 read as follows:

8 The employment security department shall consult with the following
9 agencies prior to the issuance of the state occupational forecast:

- 10 (1) Office of financial management;
- 11 (2) Department of community(~~(, trade, and economic~~) development;
- 12 (3) Department of labor and industries;
- 13 (4) State board for community and technical colleges;
- 14 (5) Superintendent of public instruction;
- 15 (6) Department of social and health services;
- 16 (7) Department of trade and economic development;
- 17 (8) Work force training and education coordinating board; and
- 18 ~~((+8+))~~ (9) Other state and local agencies as deemed appropriate by
19 the commissioner of the employment security department.

20 These agencies shall cooperate with the employment security
21 department, submitting information relevant to the generation of
22 occupational forecasts.

23 **Sec. 412.** RCW 80.50.030 and 1996 c 186 s 108 are each amended to
24 read as follows:

25 (1) There is created and established the energy facility site
26 evaluation council.

27 (2)(a) The chairman of the council shall be appointed by the
28 governor with the advice and consent of the senate, shall have a vote
29 on matters before the council, shall serve for a term coextensive with
30 the term of the governor, and is removable for cause. The chairman may
31 designate a member of the council to serve as acting chairman in the
32 event of the chairman's absence. The chairman is a "state employee"
33 for the purposes of chapter 42.52 RCW. As applicable, when attending
34 meetings of the council, members may receive reimbursement for travel
35 expenses in accordance with RCW 43.03.050 and 43.03.060, and are
36 eligible for compensation under RCW 43.03.250.

1 (b) The chairman or a designee shall execute all official
2 documents, contracts, and other materials on behalf of the council.
3 The (~~Washington state~~) department of community(~~, trade, and~~
4 ~~economic~~) development and the department of trade and economic
5 development shall provide all administrative and staff support for the
6 council. The director of the department of community, trade, and
7 economic development has supervisory authority over the staff of the
8 council and shall employ such personnel as are necessary to implement
9 this chapter. Not more than three such employees may be exempt from
10 chapter 41.06 RCW.

11 (3) The council shall consist of the directors, administrators, or
12 their designees, of the following departments, agencies, commissions,
13 and committees or their statutory successors:

- 14 (a) Department of ecology;
- 15 (b) Department of fish and wildlife;
- 16 (c) Department of health;
- 17 (d) Military department;
- 18 (e) Department of community(~~, trade, and economic~~) development;
- 19 (f) Utilities and transportation commission;
- 20 (g) Department of natural resources;
- 21 (h) Department of agriculture;
- 22 (i) Department of trade and economic development; and
- 23 (j) Department of transportation.

24 (4) The appropriate county legislative authority of every county
25 wherein an application for a proposed site is filed shall appoint a
26 member or designee as a voting member to the council. The member or
27 designee so appointed shall sit with the council only at such times as
28 the council considers the proposed site for the county which he or she
29 represents, and such member or designee shall serve until there has
30 been a final acceptance or rejection of the proposed site.

31 (5) The city legislative authority of every city within whose
32 corporate limits an energy plant is proposed to be located shall
33 appoint a member or designee as a voting member to the council. The
34 member or designee so appointed shall sit with the council only at such
35 times as the council considers the proposed site for the city which he
36 or she represents, and such member or designee shall serve until there
37 has been a final acceptance or rejection of the proposed site.

38 (6) For any port district wherein an application for a proposed
39 port facility is filed subject to this chapter, the port district shall

1 appoint a member or designee as a nonvoting member to the council. The
2 member or designee so appointed shall sit with the council only at such
3 times as the council considers the proposed site for the port district
4 which he or she represents, and such member or designee shall serve
5 until there has been a final acceptance or rejection of the proposed
6 site. The provisions of this subsection shall not apply if the port
7 district is the applicant, either singly or in partnership or
8 association with any other person.

9 **PART V**

10 **REFERENCES TO WASHINGTON STATE PATROL**

11 **Sec. 501.** RCW 70.77.236 and 1995 c 61 s 6 are each amended to read
12 as follows:

13 (1) "New fireworks item" means any fireworks initially classified
14 or reclassified as special or common fireworks by the United States
15 bureau of explosives or in the regulations of the United States
16 department of transportation after April 17, 1995.

17 (2) The (~~director of community, trade, and economic development~~)
18 chief of the Washington state patrol through the director of fire
19 protection shall classify any new fireworks item in the same manner as
20 the item is classified by the United States bureau of explosives or in
21 the regulations of the United States department of transportation,
22 unless the (~~director of community, trade, and economic development~~)
23 chief of the Washington state patrol through the director of fire
24 protection determines, stating reasonable grounds, that the item should
25 not be so classified.

26 **Sec. 502.** RCW 70.77.250 and 1995 c 369 s 45 and 1995 c 61 s 12 are
27 each reenacted to read as follows:

28 (1) The chief of the Washington state patrol, through the director
29 of fire protection, shall enforce and administer this chapter.

30 (2) The chief of the Washington state patrol, through the director
31 of fire protection, shall appoint such deputies and employees as may be
32 necessary and required to carry out the provisions of this chapter.

33 (3) The chief of the Washington state patrol, through the director
34 of fire protection, may prescribe such rules relating to fireworks as
35 may be necessary for the implementation of this chapter.

1 (4) The chief of the Washington state patrol, through the director
2 of fire protection, shall prescribe such rules as may be necessary to
3 ensure state-wide minimum standards for the enforcement of this
4 chapter. Counties, cities, and towns shall comply with such state
5 rules. Any local rules adopted by local authorities that are more
6 restrictive than state law shall have an effective date no sooner than
7 one year after their adoption.

8 (5) The chief of the Washington state patrol, through the director
9 of fire protection, may exercise the necessary police powers to enforce
10 the criminal provisions of this chapter. This grant of police powers
11 does not prevent any other state agency or local government agency
12 having general law enforcement powers from enforcing this chapter
13 within the jurisdiction of the agency or local government.

14 **Sec. 503.** RCW 70.77.270 and 1995 c 61 s 14 are each amended to
15 read as follows:

16 (1) The governing body of a city or county shall grant an
17 application for a permit under RCW 70.77.260(1) if the application
18 meets the standards under this chapter, and the ordinances of the city
19 or county.

20 (2) The (~~director of community, trade, and economic development~~)
21 chief of the Washington state patrol through the director of fire
22 protection shall prescribe uniform, state-wide standards for retail
23 fireworks stands. All cities and counties which allow retail fireworks
24 sales shall comply with these standards.

25 (3) No retail fireworks permit may be issued to any applicant
26 unless the retail fireworks stand is covered by a liability insurance
27 policy with coverage of not less than fifty thousand dollars and five
28 hundred thousand dollars for bodily injury liability for each person
29 and occurrence, respectively, and not less than fifty thousand dollars
30 for property damage liability for each occurrence, unless such
31 insurance is not readily available from at least three approved
32 insurance companies. If insurance in this amount is not offered, each
33 fireworks permit shall be covered by a liability insurance policy in
34 the maximum amount offered by at least three different approved
35 insurance companies.

36 No wholesaler may knowingly sell or supply fireworks to any retail
37 fireworks stand unless the wholesaler determines that the retail

1 fireworks stand is covered by liability insurance in the same amount as
2 provided in this subsection.

3 **Sec. 504.** RCW 70.77.315 and 1995 c 369 s 47 and 1995 c 61 s 18 are
4 each reenacted to read as follows:

5 Any person who desires to engage in the manufacture, importation,
6 sale, or use of fireworks, except use as provided in RCW 70.77.255(4)
7 and 70.77.311, shall make a written application to the chief of the
8 Washington state patrol, through the director of fire protection, on
9 forms provided by him or her. Such application shall be accompanied by
10 the annual license fee as prescribed in this chapter.

11 **Sec. 505.** RCW 70.77.325 and 1994 c 133 s 8 are each amended to
12 read as follows:

13 (1) An application for a license shall be made annually by every
14 person holding an existing license who wishes to continue the activity
15 requiring the license during an additional calendar year. The
16 application shall be accompanied by the annual license fees as
17 prescribed in RCW 70.77.343 and 70.77.340.

18 (2) A person applying for an annual license as a retailer under
19 this chapter shall file an application by June 10 of the current year.
20 The (~~director of community, trade, and economic development~~) chief of
21 the Washington state patrol, through the director of fire protection,
22 shall grant or deny the license within fifteen days of receipt of the
23 application.

24 (3) A person applying for an annual license as a manufacturer,
25 importer, or wholesaler under this chapter shall file an application by
26 January 31st of the current year. The (~~director of community, trade,~~
27 ~~and economic development~~) chief of the Washington state patrol,
28 through the director of fire protection, shall grant or deny the
29 license within ninety days of receipt of the application.

30 **Sec. 506.** RCW 70.77.355 and 1994 c 133 s 9 are each amended to
31 read as follows:

32 (1) Any adult person may secure a general license from the
33 (~~director of community, trade, and economic development~~) chief of the
34 Washington state patrol, through the director of fire protection, for
35 the public display of fireworks within the state of Washington. A
36 general license is subject to the provisions of this chapter relative

1 to the securing of local permits for the public display of fireworks in
2 any city or county, except that in lieu of filing the bond or
3 certificate of public liability insurance with the appropriate local
4 official under RCW 70.77.260 as required in RCW 70.77.285, the same
5 bond or certificate shall be filed with the (~~director of community,
6 trade, and economic development~~) chief of the Washington state patrol,
7 through the director of fire protection. The bond or certificate of
8 insurance for a general license in addition shall provide that: (a)
9 The insurer will not cancel the insured's coverage without fifteen days
10 prior written notice to the (~~director of community, trade, and
11 economic development~~) chief of the Washington state patrol, through
12 the director of fire protection; (b) the duly licensed pyrotechnic
13 operator required by law to supervise and discharge the public display,
14 acting either as an employee of the insured or as an independent
15 contractor and the state of Washington, its officers, agents,
16 employees, and servants are included as additional insureds, but only
17 insofar as any operations under contract are concerned; and (c) the
18 state is not responsible for any premium or assessments on the policy.

19 (2) The (~~director of community, trade, and economic development~~)
20 chief of the Washington state patrol, through the director of fire
21 protection, may issue such general licenses. The holder of a general
22 license shall file a certificate from the (~~director of community,
23 trade, and economic development~~) chief of the Washington state patrol,
24 through the director of fire protection, evidencing the license with
25 any application for a local permit for the public display of fireworks
26 under RCW 70.77.260.

27 **Sec. 507.** RCW 70.77.375 and 1995 c 369 s 51 and 1995 c 61 s 21 are
28 each reenacted to read as follows:

29 The chief of the Washington state patrol, through the director of
30 fire protection, upon reasonable opportunity to be heard, shall revoke
31 any license issued pursuant to this chapter, if he or she finds that:

32 (1) The licensee has violated any provisions of this chapter or any
33 rule or regulations made by the chief of the Washington state patrol,
34 through the director of fire protection, under and with the authority
35 of this chapter;

36 (2) The licensee has created or caused a fire nuisance;

37 (3) Any licensee has failed or refused to file any required
38 reports; or

1 (4) Any fact or condition exists which, if it had existed at the
2 time of the original application for such license, reasonably would
3 have warranted the chief of the Washington state patrol, through the
4 director of fire protection, in refusing originally to issue such
5 license.

6 **Sec. 508.** RCW 70.77.435 and 1995 c 61 s 23 are each amended to
7 read as follows:

8 Any fireworks which are illegally sold, offered for sale, used,
9 discharged, possessed or transported in violation of the provisions of
10 this chapter or the rules or regulations of the (~~director of~~
11 ~~community, trade, and economic development~~) chief of the Washington
12 state patrol, through the director of fire protection, shall be subject
13 to seizure by the (~~director of community, trade, and economic~~
14 ~~development~~) chief of the Washington state patrol, through the
15 director of fire protection, or his or her deputy, or by state agencies
16 or local governments having general law enforcement authority. Any
17 fireworks seized by legal process anywhere in the state may be disposed
18 of by the (~~director of community, trade, and economic development~~)
19 chief of the Washington state patrol, through the director of fire
20 protection, or the agency conducting the seizure, by summary
21 destruction at any time subsequent to thirty days from such seizure or
22 ten days from the final termination of proceedings under the provisions
23 of RCW 70.77.440, whichever is later.

24 **Sec. 509.** RCW 70.77.440 and 1995 c 61 s 24 are each amended to
25 read as follows:

26 (1) In the event of seizure under RCW 70.77.435, proceedings for
27 forfeiture shall be deemed commenced by the seizure. The (~~director of~~
28 ~~community, trade, and economic development or deputy director of~~
29 ~~community, trade, and economic development~~) chief of the Washington
30 state patrol, through the director of fire protection or the agency
31 conducting the seizure, under whose authority the seizure was made
32 shall cause notice to be served within fifteen days following the
33 seizure on the owner of the fireworks seized and the person in charge
34 thereof and any person having any known right or interest therein, of
35 the seizure and intended forfeiture of the seized property. The notice
36 may be served by any method authorized by law or court rule including
37 but not limited to service by certified mail with return receipt

1 requested. Service by mail shall be deemed complete upon mailing
2 within the fifteen-day period following the seizure.

3 (2) If no person notifies the (~~director of community, trade, and~~
4 ~~economic development~~) chief of the Washington state patrol, through
5 the director of fire protection or the agency conducting the seizure,
6 in writing of the person's claim of lawful ownership or right to lawful
7 possession of seized fireworks within thirty days of the seizure, the
8 seized fireworks shall be deemed forfeited.

9 (3) If any person notifies the (~~director of community, trade, and~~
10 ~~economic development~~) chief of the Washington state patrol, through
11 the director of fire protection or the agency conducting the seizure,
12 in writing of the person's claim of lawful ownership or possession of
13 the fireworks within thirty days of the seizure, the person or persons
14 shall be afforded a reasonable opportunity to be heard as to the claim
15 or right. The hearing shall be before an administrative law judge
16 appointed under chapter 34.12 RCW, except that any person asserting a
17 claim or right may remove the matter to a court of competent
18 jurisdiction if the aggregate value of the seized fireworks is more
19 than five hundred dollars. The hearing before an administrative law
20 judge and any appeal therefrom shall be under Title 34 RCW. In a court
21 hearing between two or more claimants to the article or articles
22 involved, the prevailing party shall be entitled to a judgment for
23 costs and reasonable attorneys' fees. The burden of producing evidence
24 shall be upon the person claiming to have the lawful right to
25 possession of the seized fireworks. The (~~director of community,~~
26 ~~trade, and economic development~~) chief of the Washington state patrol,
27 through the director of fire protection or the agency conducting the
28 seizure, shall promptly return the fireworks to the claimant upon a
29 determination by the administrative law judge or court that the
30 claimant is lawfully entitled to possession of the fireworks.

31 (4) When fireworks are forfeited under this chapter the (~~director~~
32 ~~of community, trade, and economic development~~) chief of the Washington
33 state patrol, through the director of fire protection or the agency
34 conducting the seizure, may:

- 35 (a) Dispose of the fireworks by summary destruction; or
36 (b) Sell the forfeited fireworks and chemicals used to make
37 fireworks, that are legal for use and possession under this chapter, to
38 wholesalers or manufacturers, authorized to possess and use such
39 fireworks or chemicals under a license issued by the (~~director of~~

1 ~~community, trade, and economic development~~) chief of the Washington
2 state patrol, through the director of fire protection. Sale shall be
3 by public auction after publishing a notice of the date, place, and
4 time of the auction in a newspaper of general circulation in the county
5 in which the auction is to be held, at least three days before the date
6 of the auction. The proceeds of the sale of the seized fireworks under
7 this section may be retained by the agency conducting the seizure and
8 used to offset the costs of seizure and/or storage costs of the seized
9 fireworks. The remaining proceeds, if any, shall be deposited in the
10 fire services trust fund and shall be used for the same purposes and in
11 the same percentages as specified in RCW 70.77.343.

12 **Sec. 510.** RCW 70.77.450 and 1994 c 133 s 13 are each amended to
13 read as follows:

14 The (~~director of community, trade, and economic development~~)
15 chief of the Washington state patrol, through the director of fire
16 protection, may make an examination of the books and records of any
17 licensee, or other person relative to fireworks, and may visit and
18 inspect the premises of any licensee he may deem at any time necessary
19 for the purpose of enforcing the provisions of this chapter. The
20 licensee, owner, lessee, manager, or operator of any such building or
21 premises shall permit the (~~director of community, trade, and economic~~
22 ~~development~~) chief of the Washington state patrol, through the
23 director of fire protection, his or her deputies or salaried
24 assistants, the local fire official, and their authorized
25 representatives to enter and inspect the premises at the time and for
26 the purpose stated in this section.

27 **Sec. 511.** RCW 70.77.455 and 1995 c 369 s 54 and 1995 c 61 s 25 are
28 each reenacted to read as follows:

29 (1) All licensees shall maintain and make available to the chief of
30 the Washington state patrol, through the director of fire protection,
31 full and complete records showing all production, imports, exports,
32 purchases and sales of fireworks items by class.

33 (2) All records obtained and all reports produced, as required by
34 this chapter, are not subject to disclosure through the public
35 disclosure act under chapter 42.17 RCW.

PART VI
MISCELLANEOUS

1
2
3 NEW SECTION. **Sec. 601.** Part headings used in this act are not any
4 part of the law.

5 NEW SECTION. **Sec. 602.** Sections 201 through 205 and 222 through
6 224 of this act are each added to chapter 43.31 RCW.

7 NEW SECTION. **Sec. 603.** Section 318 of this act expires December
8 31, 2000.

9 NEW SECTION. **Sec. 604.** Sections 101 through 129, 201 through 226,
10 301 through 352, 401 through 412, 501 through 511, and 601 through 603
11 of this act take effect March 1, 1998.

12 NEW SECTION. **Sec. 605.** Sections 1 and 2 of this act are necessary
13 for the immediate preservation of the public peace, health, or safety,
14 or support of the state government and its existing public
15 institutions, and take effect immediately.

--- END ---