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**HOUSE BILL 2944**

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**State of Washington****55th Legislature****1998 Regular Session**

**By** Representatives Van Luven, Mason, Dunn, Eickmeyer, McDonald, Ballasiotes, Radcliff, Veloria, L. Thomas and Dyer

Read first time 01/23/98. 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.125, 43.63A.155, 43.63A.245, 43.63A.247, 43.63A.260, 43.63A.275,  
5 43.63A.400, 43.63A.410, 43.63A.440, 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, 43.31.830, 43.31.840, 43.31.855,  
9 43.31.857, 43.31.960, 43.17.065, 19.02.050, 24.46.010, 28B.20.283,  
10 28B.20.289, 28B.20.293, 28B.30.537, 28B.50.262, 28B.65.040, 28B.65.050,  
11 28B.65.060, 28B.109.020, 28C.04.440, 28C.04.460, 28C.18.060, 36.01.120,  
12 36.110.030, 43.07.360, 43.21A.510, 43.21A.515, 43.21A.612, 43.23.035,  
13 43.160.020, 43.160.115, 43.160.180, 43.163.020, 43.163.120, 43.168.020,  
14 43.168.031, 43.170.020, 43.172.011, 43.210.030, 43.210.050, 43.210.060,  
15 43.330.092, 43.330.094, 50.67.030, 50.72.030, 67.16.100, 70.95.265,  
16 70.95.810, 70.95H.007, 70.95H.050, 76.09.030, 76.56.020, 77.12.710,  
17 81.80.450, 82.61.070, 88.12.275, 41.06.072, 43.06.115, 43.17.020,  
18 43.160.030, 43.163.060, 47.39.090, 47.76.230, 50.38.030, and 80.50.030;  
19 reenacting and amending RCW 41.06.070 and 43.17.010; adding new  
20 sections to chapter 43.330 RCW; adding new sections to chapter 43.31  
21 RCW; creating new sections; recodifying RCW 43.31.855, 43.31.857,

1 43.63A.021, 43.63A.066, 43.63A.067, 43.63A.105, 43.63A.115, 43.63A.125,  
2 43.63A.150, 43.63A.155, 43.63A.190, 43.63A.215, 43.63A.240, 43.63A.245,  
3 43.63A.247, 43.63A.249, 43.63A.260, 43.63A.265, 43.63A.270, 43.63A.275,  
4 43.63A.400, 43.63A.410, 43.63A.420, 43.63A.440, 43.63A.460, 43.63A.465,  
5 43.63A.4651, 43.63A.470, 43.63A.475, 43.63A.480, 43.63A.485,  
6 43.63A.490, 43.63A.500, 43.63A.510, 43.63A.550, 43.63A.600, 43.63A.610,  
7 43.63A.620, 43.63A.630, 43.63A.640, 43.63A.650, 43.63A.660, 43.63A.670,  
8 43.63A.680, 43.63A.690, 43.63A.715, 43.63A.720, 43.63A.725, 43.63A.730,  
9 43.63A.735, 43.63A.740, 43.63A.900, 43.63A.901, 43.63A.902, 43.63A.903,  
10 43.330.145, 43.330.152, 43.330.155, 43.330.156, 43.63A.075, 43.63A.230,  
11 43.63A.700, 43.63A.710, 43.330.060, 43.330.065, 43.330.080, 43.330.090,  
12 43.330.092, and 43.330.094; repealing RCW 43.63A.220, 43.330.005,  
13 43.330.007, 43.330.010, 43.330.900, and 43.31.800; making an  
14 appropriation; providing an effective date; providing expiration dates;  
15 and declaring an emergency.

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

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

1 community development responsibilities authorized for the department of  
2 community, trade, and economic development after its creation.

3 NEW SECTION. **Sec. 2.** (1) On or before June 15, 1998, the director  
4 of community, trade, and economic development shall submit a plan to  
5 the governor for transferring the department's trade, business  
6 development, tourism, and economic development responsibilities and  
7 authorities to the newly created department of trade and economic  
8 development, as provided in this act.

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

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

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

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

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

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

33 (5) Effective July 1, 1998, the department of trade and economic  
34 development shall be created, the transfer of responsibilities and  
35 authorities to this newly created department shall occur, and the  
36 department of community, trade, and economic development shall be  
37 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 1998 (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 1997 c 367 s 5 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) "Department" means the department of community development.

22 (2) "Director" means the director of community development.

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

33 ~~((+2))~~ (4) "Forest products worker" means a worker in the forest  
34 products industries affected by the reduction of forest fiber  
35 enhancement, transportation, or production. The workers included  
36 within this definition shall be determined by the employment security  
37 department, but shall include workers employed in the industries

1 assigned the major group standard industrial classification codes "24"  
2 and "26" and the industries involved in the harvesting and management  
3 of logs, transportation of logs and wood products, processing of wood  
4 products, and the manufacturing and distribution of wood processing and  
5 logging equipment. The commissioner may adopt rules further  
6 interpreting these definitions. For the purposes of this subsection,  
7 "standard industrial classification code" means the code identified in  
8 RCW 50.29.025(6)(c).

9 ((+3)) (5) "Dislocated salmon fishing worker" means a finfish  
10 products worker who: (a)(i) Has been terminated or received notice of  
11 termination from employment and is unlikely to return to employment in  
12 the individual's principal occupation or previous industry because of  
13 a diminishing demand for his or her skills in that occupation or  
14 industry; or (ii) is self-employed and has been displaced from his or  
15 her business because of the diminishing demand for the business's  
16 services or goods; and (b) at the time of last separation from  
17 employment, resided in or was employed in a rural natural resources  
18 impact area.

19 ((+4)) (6) "Salmon fishing worker" means a worker in the finfish  
20 industry affected by 1994 or future salmon disasters. The workers  
21 included within this definition shall be determined by the employment  
22 security department, but shall include workers employed in the  
23 industries involved in the commercial and recreational harvesting of  
24 finfish including buying and processing finfish. The commissioner may  
25 adopt rules further interpreting these definitions.

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

28 (1) The director shall supervise and administer the activities of  
29 the department and shall advise the governor and the legislature with  
30 respect to community ((and economic)) development matters affecting the  
31 state.

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

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

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

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

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

7 (e) Prepare and submit budgets for the department for executive and  
8 legislative action;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

37 (4) Solicit private and federal grants for ((economic and))  
38 community development programs and administer such programs in

1 conjunction with other programs assigned to the department by the  
2 governor or the legislature;

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

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

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

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

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

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

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



1 affordable housing and housing services(~~( $\tau$ )~~), and providing for the  
2 identification and preservation of the state's historical and cultural  
3 resources(~~( $\tau$  and expanding employment opportunities)~~).

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

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

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

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

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

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

33 (2) In order to receive money under subsection (1) of this section,  
34 an organization providing state-wide technical support, development,  
35 and enhancement of court-appointed special advocate programs must meet  
36 all of the following requirements:

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

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

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

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

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

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

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

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

35 (2) Local community action agencies comprise the community action  
36 agency network. The community action agency network shall serve low-  
37 income persons in the counties. Each community action agency and its

1 service area shall be designated in the state federal community service  
2 block grant plan as prepared by the department (~~of community, trade,~~  
3 ~~and economic development~~)).

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

8 **Sec. 110.** RCW 43.63A.125 and 1997 c 374 s 2 are each amended to  
9 read as follows:

10 If the legislature provides an appropriation to assist nonprofit  
11 organizations in acquiring, constructing, or rehabilitating facilities  
12 used for the delivery of nonresidential social services, the  
13 legislature may direct the department (~~of community, trade, and~~  
14 ~~economic development~~) to establish a competitive process to prioritize  
15 applications for the assistance as follows:

16 (1) The department shall conduct a state-wide solicitation of  
17 project applications from local governments, nonprofit organizations,  
18 and other entities, as determined by the department. The department  
19 shall evaluate and rank applications in consultation with a citizen  
20 advisory committee using objective criteria. At a minimum, applicants  
21 must demonstrate that the requested assistance will increase the  
22 efficiency or quality of the social services it provides to citizens.  
23 The evaluation and ranking process shall also include an examination of  
24 existing assets that applicants may apply to projects. Grant  
25 assistance under this section shall not exceed twenty-five percent of  
26 the total cost of the project. The nonstate portion of the total  
27 project cost may include, but is not limited to, land, facilities, and  
28 in-kind contributions.

29 (2) The department shall submit a prioritized list of recommended  
30 projects to the legislature by November 1st following the effective  
31 date of the appropriation. The list shall include a description of  
32 each project, the amount of recommended state funding, and  
33 documentation of nonstate funds to be used for the project. The  
34 department shall not sign contracts or otherwise financially obligate  
35 funds under this section until the legislature has approved a specific  
36 list of projects.

37 (3) In contracts for grants authorized under this section the  
38 department shall include provisions which require that capital

1 improvements shall be held by the grantee for a specified period of  
2 time appropriate to the amount of the grant and that facilities shall  
3 be used for the express purpose of the grant. If the grantee is found  
4 to be out of compliance with provisions of the contract, the grantee  
5 shall repay to the state general fund the principal amount of the grant  
6 plus interest calculated at the rate of interest on state of Washington  
7 general obligation bonds issued most closely to the date of  
8 authorization of the grant.

9 (4) The department shall develop model contract provisions for  
10 compliance with subsection (3) of this section and shall distribute its  
11 recommendations to the appropriate legislative committees, the office  
12 of financial management, and to all state agencies which provide  
13 capital grants to nonstate entities.

14 **Sec. 111.** RCW 43.63A.155 and 1993 c 280 s 61 are each amended to  
15 read as follows:

16 The department (~~of community, trade, and economic development~~)  
17 shall retain the bond information it receives under RCW 39.44.210 and  
18 39.44.230 and shall publish summaries of local government bond issues  
19 at least once a year.

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

23 **Sec. 112.** RCW 43.63A.245 and 1993 c 280 s 64 are each amended to  
24 read as follows:

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

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

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

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

34 (4) "Council" means the senior environmental corps coordinating  
35 council.

36 (~~"Department" means the department of community, trade, and~~  
37 ~~economic development.~~

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

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

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

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

11       **Sec. 113.** RCW 43.63A.247 and 1994 c 264 s 25 are each amended to  
12 read as follows:

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

22       **Sec. 114.** RCW 43.63A.260 and 1994 c 264 s 26 are each amended to  
23 read as follows:

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

36       The council shall advise the director on distribution of available  
37 funding for corps activities.

1       **Sec. 115.** 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. 116.** 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. 117.** 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. 118.** RCW 43.63A.440 and 1997 c 367 s 7 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. The  
12 department shall use existing technical and financial assistance  
13 resources to aid communities in planning, implementing, and assembling  
14 financing for high priority community economic development projects.

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(~~, and~~  
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 sections are each recodified  
8 as new sections in chapter 43.330 RCW:

- 9 RCW 43.31.855  
10 RCW 43.31.857  
11 RCW 43.63A.021  
12 RCW 43.63A.066  
13 RCW 43.63A.067  
14 RCW 43.63A.105  
15 RCW 43.63A.115  
16 RCW 43.63A.125  
17 RCW 43.63A.150  
18 RCW 43.63A.155  
19 RCW 43.63A.190  
20 RCW 43.63A.215  
21 RCW 43.63A.240  
22 RCW 43.63A.245  
23 RCW 43.63A.247  
24 RCW 43.63A.249  
25 RCW 43.63A.260  
26 RCW 43.63A.265  
27 RCW 43.63A.270  
28 RCW 43.63A.275  
29 RCW 43.63A.400  
30 RCW 43.63A.410  
31 RCW 43.63A.420  
32 RCW 43.63A.440  
33 RCW 43.63A.460  
34 RCW 43.63A.465  
35 RCW 43.63A.4651  
36 RCW 43.63A.470  
37 RCW 43.63A.475  
38 RCW 43.63A.480

1 RCW 43.63A.485  
2 RCW 43.63A.490  
3 RCW 43.63A.500  
4 RCW 43.63A.510  
5 RCW 43.63A.550  
6 RCW 43.63A.600  
7 RCW 43.63A.610  
8 RCW 43.63A.620  
9 RCW 43.63A.630  
10 RCW 43.63A.640  
11 RCW 43.63A.650  
12 RCW 43.63A.660  
13 RCW 43.63A.670  
14 RCW 43.63A.680  
15 RCW 43.63A.690  
16 RCW 43.63A.715  
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 RCW 43.330.145

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

29 RCW 43.330.152  
30 RCW 43.330.155  
31 RCW 43.330.156

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

1 PART II

2 DEPARTMENT OF TRADE AND ECONOMIC DEVELOPMENT

3 NEW SECTION. **Sec. 201.** The department of trade and economic  
4 development is created. Except as provided in this act, the department  
5 shall be vested with all powers and duties formerly exercised by the  
6 prior department of trade and economic development, before its merger  
7 with the prior department of community development into the department  
8 of community, trade, and economic development by chapter 280, Laws of  
9 1993, and such other powers and duties as may be authorized by law.

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

13 (1) "Associate development organization" means a local economic  
14 development nonprofit corporation that is broadly representative of  
15 community interests.

16 (2) "Department" means the department of trade and economic  
17 development.

18 (3) "Director" means the director of trade and economic  
19 development.

20 NEW SECTION. **Sec. 203.** (1) The director shall supervise and  
21 administer the activities of the department and shall advise the  
22 governor and the legislature with respect to economic development  
23 matters affecting the state.

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

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

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

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

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

35 (e) To prepare and submit budgets for the department for executive  
36 and legislative action;

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

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

6 (h) To delegate powers, duties, and functions as the director deems  
7 necessary for efficient administration, but the director shall be  
8 responsible for the official acts of the officers and employees of the  
9 department; and

10 (i) To perform other duties as are necessary and consistent with  
11 law.

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

15 (4) The director may request information and assistance from all  
16 other agencies, departments, and officials of the state, and may  
17 reimburse such agencies, departments, or officials if such a request  
18 imposes any additional expenses upon any such agency, department, or  
19 official.

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

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

32 (7) The internal affairs of the department shall be under the  
33 control of the director in order that the director may manage the  
34 department in a flexible and intelligent manner as dictated by changing  
35 contemporary circumstances. Unless specifically limited by law, the  
36 director shall have complete charge and supervisory powers over the  
37 department. The director may create such administrative structures as  
38 the director deems appropriate, except as otherwise specified by law,



1 and the director may employ such personnel as may be necessary in  
2 accordance with chapter 41.06 RCW, except as otherwise provided by law.

3 NEW SECTION. **Sec. 204.** The department shall be responsible for  
4 promoting economic development within the state by assisting the  
5 state's communities to increase the quality of life and their economic  
6 vitality, while maintaining a quality environment. Economic  
7 development efforts include, but are not limited to, efforts to  
8 increase economic opportunities, business and trade development,  
9 assisting firms and industrial sectors to increase their  
10 competitiveness, fostering the development of minority and women-owned  
11 businesses, and facilitating the development, transfer, and diffusion  
12 of technology.

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

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

34 (3) The department shall develop a coordinated and systematic  
35 approach to providing related training to community-based nonprofit  
36 organizations, local communities, and businesses. The approach shall  
37 be designed to increase the economic development skills available in

1 local communities by providing training and funding for training for  
2 local citizens, nonprofit organizations, and businesses. The  
3 department shall emphasize providing training in those communities most  
4 in need of state assistance.

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

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

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

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

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

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

1       The department (~~of community, trade, and economic development~~),  
2 in consultation with the office of protocol, the office of the  
3 secretary of state, the department of agriculture, and the employment  
4 security department shall identify up to fifteen countries that are of  
5 strategic importance to the development of Washington's international  
6 trade relations.

7       **Sec. 208.** RCW 43.330.080 and 1997 c 60 s 1 are each amended to  
8 read as follows:

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

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

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

1 regional delivery of state services, and to build the local capacity of  
2 communities in the region more effectively.

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

21 (5) The contracting organization shall participate with the work  
22 force training and education coordinating board as created in chapter  
23 28C.18 RCW, and any regional entities designated by that board, in  
24 providing for the coordination of job skills training within its  
25 region.

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

28 The department (~~(of community, trade, and economic development)~~) is  
29 directed to develop and promote means to stimulate the expansion of the  
30 market for Washington products and shall have the following powers and  
31 duties:

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

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

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

5 (4) In carrying out these powers and duties the department shall  
6 cooperate and coordinate with other agencies of government and the  
7 private sector.

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

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

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

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

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

1       (~~There is created in the business assistance center of the~~  
2 ~~department of community, trade, and economic development~~) The  
3 Washington investment opportunities office is created in the  
4 department.

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

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

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

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

33       (1) The committee shall have five members. The director of  
34 community, trade, and economic development shall appoint the members,  
35 who shall include:

36       (a) Two persons experienced in investment finance and having skills  
37 in providing capital to new businesses, in starting and operating

1 businesses, and providing professional services to small or expanding  
2 businesses;

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

5 (c) One child care services expert; and

6 (d) One early childhood development expert.

7 In making these appointments, the director shall give careful  
8 consideration to ensure that the various geographic regions of the  
9 state are represented and that members will be available for meetings  
10 and are committed to working cooperatively to address child care needs  
11 in Washington state.

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

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

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

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

28 (~~Unless the context clearly requires otherwise, the definitions in~~  
29 ~~this section apply throughout~~) As used in RCW 43.31.524 and  
30 43.31.526(~~;~~

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

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

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

37 ~~(4))~~ "local nonprofit organization" means a local nonprofit  
38 organization organized to provide economic development or community

1 development services, including but not limited to associate  
2 development organizations, economic development councils, and community  
3 development corporations.

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

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

15 **Sec. 217.** RCW 43.31.641 and 1997 c 367 s 6 are each amended to  
16 read as follows:

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

19 (1) Administer available federal grant funds to support strategic  
20 diversification needs and opportunities of timber-dependent  
21 communities, value-added forest products firms, and the value-added  
22 forest products industry in Washington state.

23 (2) Provide value-added wood products companies with building  
24 products export development assistance.

25 **Sec. 218.** RCW 43.31.830 and 1993 c 280 s 53 are each amended to  
26 read as follows:

27 (1) It shall be the duty of the director (~~of community, trade, and  
28 economic development~~) to certify, from the applications received, the  
29 state international trade fair or fairs qualified and entitled to  
30 receive funds under RCW 67.16.100, and under rules established by the  
31 director.

32 (2) The director shall make annual allotments to state  
33 international trade fairs determined qualified to be entitled to  
34 participate in the state trade fair fund and shall fix times for the  
35 division of and payment from the state trade fair fund: PROVIDED, That  
36 total payment to any one state international trade fair shall not



1 exceed sixty thousand dollars in any one year, where participation or  
2 presentation occurs within the United States, and eighty thousand  
3 dollars in any one year, where participation or presentation occurs  
4 outside the United States: PROVIDED FURTHER, That a state  
5 international trade fair may qualify for the full allotment of funds  
6 under either category. Upon certification of the allotment and  
7 division of fair funds by the director the treasurer shall proceed to  
8 pay the same to carry out the purposes of RCW 67.16.100.

9 **Sec. 219.** RCW 43.31.840 and 1993 c 280 s 54 are each amended to  
10 read as follows:

11 The director (~~(of community, trade, and economic development)~~)  
12 shall at the end of each year for which an annual allotment has been  
13 made, conduct a post audit of all of the books and records of each  
14 state international trade fair participating in the state trade fair  
15 fund. The purpose of such post audit shall be to determine how and to  
16 what extent each participating state international trade fair has  
17 expended all of its funds.

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

23 **Sec. 220.** RCW 43.31.855 and 1997 c 377 s 1 are each amended to  
24 read as follows:

25 (1) The Washington state rural development council is established  
26 and governed by an executive committee consisting of eleven members,  
27 appointed by the governor. The members will include representatives  
28 from the following categories: Business; natural resources;  
29 agriculture; environment; economic development; education; health;  
30 human services; counties; cities; and tribal governments.

31 (2) New members of the executive committee are appointed for terms  
32 of three years from the current membership list of the rural  
33 development council, as much as possible. Committee members should be  
34 people who either live, work, or provide direct services in rural  
35 areas. Committee membership must consist of no less than ninety  
36 percent of the members living in a rural area. As a transition  
37 strategy for the council, four representatives (business, counties,

1 health, agriculture) will be appointed in 1997, four (human services,  
2 natural resources, cities, environment) in 1998, and three (economic  
3 development, tribal government, education) in 1999. The new council  
4 will be fully formed in 1999.

5 (3) The governor may make appointments from a list of candidates  
6 generated by the executive committee. The executive committee shall  
7 generate a list of at least three but not more than six candidates from  
8 recommendations from state-wide associations. The list of candidates  
9 for the county representative shall be generated by the Washington  
10 state association of counties. The list of candidates for the city  
11 representative shall be generated by the association of Washington  
12 cities. In making appointments, the governor shall consider an  
13 equitable geographic distribution.

14 (4) Members of the Washington state rural development council shall  
15 receive no compensation for their services, but shall be eligible to  
16 receive reimbursement for travel expenses as provided in RCW 43.03.050  
17 and 43.03.060.

18 (5) The department (~~(of community, trade, and economic~~  
19 ~~development)) may provide staff support, administrative assistance, and~~  
20 office space to the council as available.

21 (6) The Washington state rural development council executive  
22 committee is authorized to establish operating procedures, policies,  
23 and bylaws, and appoint committees. In addition, the executive  
24 committee is responsible for hiring, evaluating, and if necessary,  
25 firing the (~~execute {executive}~~) executive director according to  
26 state policies and rules.

27 (7) The Washington state rural development council is directed to:  
28 Inform legislators, the governor's office, state agencies, and federal  
29 agencies about the rural perspective on community development issues;  
30 identify and in some cases develop recommended improvements to existing  
31 resource delivery systems; and serve as a liaison or intermediary  
32 between rural communities and public and private resource providers.  
33 The council's mission is to improve the delivery and accessibility of  
34 public and private resources to meet the needs of rural communities.

35 (8) This section expires June 30, 2003.

36 **Sec. 221.** RCW 43.31.857 and 1997 c 377 s 2 are each amended to  
37 read as follows:

1       (1) The legislature encourages state agencies to contribute  
2 financially to the rural development council. In addition to the  
3 United States department of agriculture and the ((state)) department  
4 ((of community, trade, and economic development)), all state agencies,  
5 federal agencies, and state-wide associations that make a significant  
6 financial contribution to the rural development council shall be ex  
7 officio members. In particular, state agencies serving rural areas,  
8 including the departments of agriculture, fish and wildlife, ecology,  
9 employment security, health, natural resources, social and health  
10 services, and transportation, and the utilities and transportation  
11 commission, are encouraged to contribute financially. Financial  
12 contributions from state agencies along with those from the private  
13 sector and state-wide associations will enable the rural development  
14 council to leverage federal funds at a three-to-one ratio annually.

15       (2) This section expires June 30, 2003.

16       **Sec. 222.** RCW 43.31.960 and 1995 c 399 s 72 are each amended to  
17 read as follows:

18       The principal proceeds from the sale of the bonds authorized in RCW  
19 43.31.956 shall be administered by the director ((of community, trade,  
20 and economic development)).

21       NEW SECTION.   **Sec. 223.** In order to extend its services and  
22 programs, the department may charge reasonable fees for services and  
23 products provided in the areas of financial assistance, international  
24 trade, economic development, and other service delivery areas, except  
25 as otherwise provided. These fees are not intended to exceed the costs  
26 of providing the service or preparing and distributing the product.

27       NEW SECTION.   **Sec. 224.** The economic development fee account is  
28 created in the state treasury. The department may create subaccounts  
29 as necessary. The account consists of all receipts from fees charged  
30 by the department under RCW 43.210.110. Expenditures from the account  
31 may be used only for the purposes of this chapter. Only the director  
32 or the director's designee may authorize expenditures from the account.  
33 Expenditures from the account may be spent only after appropriation.

34       NEW SECTION.   **Sec. 225.** The fees authorized under RCW 70.95H.040  
35 shall be adopted by rule pursuant to chapter 34.05 RCW.

1 NEW SECTION. **Sec. 226.** RCW 43.31.800 and 1993 c 280 s 52, 1987 c  
2 195 s 4, & 1965 c 148 s 2 are each repealed.

3 NEW SECTION. **Sec. 227.** The following sections are each recodified  
4 as new sections in chapter 43.31 RCW:

5 RCW 43.63A.075

6 RCW 43.63A.230

7 RCW 43.63A.700

8 RCW 43.63A.710

9 RCW 43.330.060

10 RCW 43.330.065

11 RCW 43.330.080

12 RCW 43.330.090

13 RCW 43.330.092

14 RCW 43.330.094

15 **PART III**

16 **REFERENCES TO DEPARTMENT OF**

17 **TRADE AND ECONOMIC DEVELOPMENT**

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

20 (1) Where power is vested in a department to issue permits,  
21 licenses, certifications, contracts, grants, or otherwise authorize  
22 action on the part of individuals, businesses, local governments, or  
23 public or private organizations, such power shall be exercised in an  
24 expeditious manner. All departments with such power shall cooperate  
25 with officials of the (~~business assistance center of the~~) department  
26 of (~~community,~~) trade(~~(,)~~) and economic development, and any other  
27 state officials, when such officials request timely action on the part  
28 of the issuing department.

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

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

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

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

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

7 **Sec. 302.** RCW 19.02.050 and 1997 c 391 s 11 are each amended to  
8 read as follows:

9 The legislature hereby directs the full participation by the  
10 following agencies in the implementation of this chapter:

11 (1) Department of agriculture;

12 (2) Secretary of state;

13 (3) Department of social and health services;

14 (4) Department of revenue;

15 (5) Department of fish and wildlife;

16 (6) Department of employment security;

17 (7) Department of labor and industries;

18 (8) Department of ((community<sub>7</sub>)) trade((<sub>7</sub>)) and economic  
19 development;

20 (9) Liquor control board;

21 (10) Department of health;

22 (11) Department of licensing;

23 (12) Parks and recreation commission;

24 (13) Utilities and transportation commission; and

25 (14) Other agencies as determined by the governor.

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

28 It is the finding of the legislature that foreign trade zones serve  
29 an important public purpose by the creation of employment opportunities  
30 within the state and that the establishment of zones designed to  
31 accomplish this purpose is to be encouraged. It is the further intent  
32 of the legislature that the department of ((community<sub>7</sub>)) trade((<sub>7</sub>)) and  
33 economic development provide assistance to entities planning to apply  
34 to the United States for permission to establish such zones.

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

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

3 The legislature also finds that it is in the interests of the state  
4 of Washington to provide a mechanism to transfer and apply research and  
5 technology developed at the institutions of higher education to the  
6 private sector in order to create new products and technologies which  
7 provide job opportunities in advanced technology for the citizens of  
8 this state.

9 It is the intent of the legislature that the University of  
10 Washington, the Washington State University, and the department of  
11 ((community,)) trade((,)) and economic development work cooperatively  
12 with the private sector in the development and implementation of a  
13 world class technology transfer program.

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

16 (1) The technology center shall be administered by the board of  
17 directors of the technology center.

18 (2) The board shall consist of the following members: Fourteen  
19 members from among individuals who are associated with or employed by  
20 technology-based industries and have broad business experience and an  
21 understanding of high technology; eight members from the state's  
22 universities with graduate science and engineering programs; the  
23 executive director of the Spokane Intercollegiate Research and  
24 Technology Institute or his or her designated representative; the  
25 provost of the University of Washington or his or her designated  
26 representative; the provost of the Washington State University or his  
27 or her designated representative; and the director of the department of  
28 ((community,)) trade((,)) and economic development or his or her  
29 designated representative. The term of office for each board member,  
30 excluding the executive director of the Spokane Intercollegiate  
31 Research and Technology Institute, the provost of the University of  
32 Washington, the provost of the Washington State University, and the  
33 director of the department of ((community,)) trade((,)) and economic  
34 development, shall be three years. The executive director of the  
35 technology center shall be an ex officio, nonvoting member of the  
36 board. The board shall meet at least quarterly. Board members shall  
37 be appointed by the governor based on the recommendations of the  
38 existing board of the technology center, and the research universities.

1 The governor shall stagger the terms of the first group of appointees  
2 to ensure the long term continuity of the board.

3 (3) The duties of the board include:

4 (a) Developing the general operating policies for the technology  
5 center;

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

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

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

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

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

18 (g) Coordinating with the University of Washington, Washington  
19 State University, and other participating institutions of higher  
20 education in the development of training, research, and development  
21 programs to be conducted at the technology center that shall be  
22 targeted to meet industrial needs;

23 (h) Assisting the department of ((community~~7~~)) trade((~~7~~)) and  
24 economic development in the department's efforts to develop state  
25 science and technology public policies and coordinate publicly funded  
26 programs;

27 (i) Reviewing annual progress reports on funded research projects  
28 that are prepared by the advisory committees for each of the research  
29 centers;

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

32 (k) Submitting annually to the department of community, trade, and  
33 economic development an updated strategic plan and a statement of  
34 performance measured against the mission, roles, and contractual  
35 obligations of the technology center.

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

1 The department of ((community,)) trade((,)) and economic  
2 development shall contract with the University of Washington for the  
3 expenditure of state-appropriated funds for the operation of the  
4 Washington technology center. The department of ((community,))  
5 trade((,)) and economic development shall provide guidance to the  
6 technology center regarding expenditure of state-appropriated funds and  
7 the development of the center's strategic plan. The director of the  
8 department of ((community,)) trade((,)) and economic development shall  
9 not withhold funds appropriated for the technology center if the  
10 technology center complies with the provisions of its contract with the  
11 department of ((community,)) trade((,)) and economic development. The  
12 department shall be responsible to the legislature for the contractual  
13 performance of the center.

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

16 The IMPACT center shall:

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

20 (a) The design and development of information and strategies to  
21 expand the long-term international markets for Washington agricultural  
22 products; and

23 (b) The dissemination of such information and strategies to  
24 Washington exporters, overseas users, and public and private trade  
25 organizations;

26 (2) Research and identify current impediments to increased exports  
27 of Washington agricultural products, and determine methods of  
28 surmounting those impediments and opportunities for exporting new  
29 agricultural products and commodities to foreign markets;

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

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

36 (5) Ensure that activities of the center adequately reflect the  
37 objectives for the state's agricultural market development programs



1 established by the department of agriculture as the lead state agency  
2 for such programs under chapter 43.23 RCW;

3 (6) Link itself through cooperative agreements with the center for  
4 international trade in forest products at the University of Washington,  
5 the state department of agriculture, the department of ((community,))  
6 trade((,)) and economic development, Washington's agriculture  
7 businesses and associations, and other state agency data collection,  
8 processing, and dissemination efforts; and

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

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

15 The state board for community and technical colleges shall develop,  
16 in conjunction with the center for international trade in forest  
17 products, the Washington State University wood materials and  
18 engineering laboratory, and the department of ((community,)) trade((,))  
19 and economic development, a competency-based technical degree program  
20 in wood product manufacturing and wood technology and make it available  
21 in every college district that serves a rural natural resources impact  
22 area.

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

25 (1) The Washington high-technology coordinating board is hereby  
26 created.

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

28 (a) Eleven shall be citizen members appointed by the governor, with  
29 the consent of the senate, for four-year terms. In making the  
30 appointments the governor shall ensure that a balanced geographic  
31 representation of the state is achieved and shall attempt to choose  
32 persons experienced in high-technology fields, including at least one  
33 representative of labor. Any person appointed to fill a vacancy  
34 occurring before a term expires shall be appointed only for the  
35 remainder of that term; and

36 (b) Seven of the members shall be as follows: One representative  
37 from each of the state's two research universities, one representative

1 of the state college and regional universities, the director for the  
2 state system of community and technical colleges or the director's  
3 designee, the superintendent of public instruction or the  
4 superintendent's designee, a representative of the higher education  
5 coordinating board, and the director of the department of  
6 ((community,)) trade((,)) and economic development or the director's  
7 designee.

8 (3) Members of the board shall not receive any salary for their  
9 services, but shall be reimbursed for travel expenses under RCW  
10 43.03.050 and 43.03.060 for each day actually spent in attending to  
11 duties as a member of the board.

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

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

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

19 (2) The board shall:

20 (a) Determine the specific high-technology occupational fields in  
21 which technical training is needed and advise the institutions of  
22 higher education and the higher education coordinating board on their  
23 findings;

24 (b) Identify economic areas and high-technology industries in need  
25 of technical training and research and development critical to economic  
26 development and advise the institutions of higher education and the  
27 higher education coordinating board on their findings;

28 (c) Oversee and coordinate the Washington high-technology education  
29 and training program to insure high standards, efficiency, and  
30 effectiveness;

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

34 (e) Work cooperatively with and provide any information or advice  
35 which may be requested by the higher education coordinating board  
36 during the board's review of new baccalaureate degree program proposals  
37 which are submitted under this chapter. Nothing in this chapter shall  
38 be construed as altering or superseding the powers or prerogatives of

1 the higher education coordinating board over the review of new degree  
2 programs as established in (~~section 6(2) of this 1985 act~~) RCW  
3 28B.80.340;

4 (f) Work cooperatively with the department of (~~community~~)  
5 trade(~~)~~) and economic development to identify the high-technology  
6 education and training needs of existing Washington businesses and  
7 businesses with the potential to locate in Washington;

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

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

12 (i) Establish and maintain a plan, including priorities, to guide  
13 high-technology program development in public institutions of higher  
14 education, which plan shall include an assessment of current high-  
15 technology programs, steps to increase existing programs, new  
16 initiatives and programs necessary to promote high technology, and  
17 methods to coordinate and target high-technology programs to changing  
18 market opportunities in business and industry; and

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

22 (i) An evaluation of each program;

23 (ii) A determination of the feasibility of expanding the program;  
24 and

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

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

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

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

33 Staff support for the high-technology coordinating board shall be  
34 provided by the department of (~~community~~) trade(~~)~~) and economic  
35 development.

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

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

5 (1) Convene an advisory committee that may include but need not be  
6 limited to representatives of the office of the superintendent of  
7 public instruction, the department of ((community,)) trade((,)) and  
8 economic development, the secretary of state, private business, and  
9 institutions of higher education;

10 (2) Select students to receive the scholarship with the assistance  
11 of a screening committee composed of leaders in business, international  
12 trade, and education;

13 (3) Adopt necessary rules and guidelines including rules for  
14 disbursing scholarship funds to participants;

15 (4) Publicize the program;

16 (5) Solicit and accept grants and donations from public and private  
17 sources for the program;

18 (6) Establish and notify participants of service obligations; and

19 (7) Establish a formula for selecting the countries from which  
20 participants may be selected in consultation with the department of  
21 ((community,)) trade((,)) and economic development.

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

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

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

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

34 (1) Work cooperatively with the commission on vocational education  
35 to market the job skills program to business and economic development  
36 agencies and other firms;

1 (2) Recruit industries from outside the state to participate in the  
2 job skills training program; and

3 (3) Refer business and industry interested in developing a job  
4 skills training program to the commission on vocational education.

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

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

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

12 (2) Advocate for the state training system and for meeting the  
13 needs of employers and the work force for work force education and  
14 training.

15 (3) Establish and maintain an inventory of the programs of the  
16 state training system, and related state programs, and perform a  
17 biennial assessment of the vocational education, training, and adult  
18 basic education and literacy needs of the state; identify ongoing and  
19 strategic education needs; and assess the extent to which employment,  
20 training, vocational and basic education, rehabilitation services, and  
21 public assistance services represent a consistent, integrated approach  
22 to meet such needs.

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

1 (5) In consultation with the higher education coordinating board,  
2 review and make recommendations to the office of financial management  
3 and the legislature on operating and capital facilities budget requests  
4 for operating agencies of the state training system for purposes of  
5 consistency with the state comprehensive plan for work force training  
6 and education.

7 (6) Provide for coordination among the different operating agencies  
8 and components of the state training system at the state level and at  
9 the regional level.

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

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

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

21 (9) Establish minimum standards for program evaluation for the  
22 operating agencies of the state training system, including, but not  
23 limited to, the use of common survey instruments and procedures for  
24 measuring perceptions of program participants and employers of program  
25 participants, and monitor such program evaluation.

26 (10) Every two years administer scientifically based outcome  
27 evaluations of the state training system, including, but not limited  
28 to, surveys of program participants, surveys of employers of program  
29 participants, and matches with employment security department payroll  
30 and wage files. Every five years administer scientifically based net-  
31 impact and cost-benefit evaluations of the state training system.

32 (11) In cooperation with the employment security department,  
33 provide for the improvement and maintenance of quality and utility in  
34 occupational information and forecasts for use in training system  
35 planning and evaluation. Improvements shall include, but not be  
36 limited to, development of state-based occupational change factors  
37 involving input by employers and employees, and delineation of skill  
38 and training requirements by education level associated with current  
39 and forecasted occupations.

1 (12) Provide for the development of common course description  
2 formats, common reporting requirements, and common definitions for  
3 operating agencies of the training system.

4 (13) Provide for effectiveness and efficiency reviews of the state  
5 training system.

6 (14) In cooperation with the higher education coordinating board,  
7 facilitate transfer of credit policies and agreements between  
8 institutions of the state training system, and encourage articulation  
9 agreements for programs encompassing two years of secondary work force  
10 education and two years of postsecondary work force education.

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

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

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

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

30 (19) Facilitate the location of support services, including but not  
31 limited to, child care, financial aid, career counseling, and job  
32 placement services, for students and trainees at institutions in the  
33 state training system, and advocate for support services for trainees  
34 and students in the state training system.

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

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

4 (22) Encourage and assess progress for the equitable representation  
5 of racial and ethnic minorities, women, and people with disabilities  
6 among the students, teachers, and administrators of the state training  
7 system. Equitable, for this purpose, shall mean substantially  
8 proportional to their percentage of the state population in the  
9 geographic area served. This function of the board shall in no way  
10 lessen more stringent state or federal requirements for representation  
11 of racial and ethnic minorities, women, and people with disabilities.

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

14 (24) Administer veterans' programs, licensure of private vocational  
15 schools, the job skills program, and the Washington award for  
16 vocational excellence.

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

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

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

22 The board may delegate to the director any of the functions of this  
23 section.

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

26 It is the finding of the legislature that foreign trade zones serve  
27 an important public purpose by the creation of employment opportunities  
28 within the state and that the establishment of zones designed to  
29 accomplish this purpose is to be encouraged. It is the further intent  
30 of the legislature that the department of ((community~~7~~)) trade((~~7~~)) and  
31 economic development provide assistance to entities planning to apply  
32 to the United States for permission to establish such zones.

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

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



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

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

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

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

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

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

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

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

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

24 (10) The governor's representative from the employment security  
25 department;

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

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

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

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

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

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

3       (1) The legislature finds that knowledge of international exchange  
4 students who have studied in Washington state institutions of higher  
5 education, especially those from key trading partner countries, and  
6 knowledge of Washington state students, interns, and citizens working  
7 and studying abroad, is critical to the ability of Washington  
8 businesses and citizens to establish contacts and networks in the  
9 competitive world market.

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

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

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

29       (4) The department of ((community,)) trade((,)) and economic  
30 development, the department of agriculture, and the governor's office  
31 of protocol may assist the secretary of state in designing and  
32 developing the data base and in obtaining data for inclusion in the  
33 data base. Four-year educational institutions and their alumni  
34 associations are encouraged to maintain data concerning students  
35 studying or working abroad, international students attending their  
36 institutions, and exchange opportunities available to their students  
37 and other citizens, and to make such data freely available to the  
38 secretary of state for inclusion in the data base.

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

7 (6) Any person listed in the data base may request in writing that  
8 his or her name, address, telephone number, or other identifying  
9 information be omitted from the data base. Nothing in this section  
10 prohibits the secretary of state from refusing to disclose information  
11 exempt from disclosure under RCW 42.17.310.

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

14 In order to assist the department of ((community)) trade(( )) and  
15 economic development in providing information to businesses interested  
16 in locating in Washington state, the department shall develop an  
17 environmental profile of the state. This profile shall identify the  
18 state's natural resources and describe how these assets are valuable to  
19 industry. Examples of information to be included are water resources  
20 and quality, air quality, and recreational opportunities related to  
21 natural resources.

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

24 In order to emphasize the importance of the state's environmental  
25 laws and regulations and to facilitate compliance with them, the  
26 department of ecology shall provide assistance to businesses interested  
27 in locating in Washington state. When the department of ((community))  
28 trade(( )) and economic development receives a query from an interested  
29 business through its industrial marketing activities, it shall arrange  
30 for the department of ecology to provide information on the state's  
31 environmental laws and regulations and methods of compliance. This  
32 section shall facilitate compliance with state environmental laws and  
33 regulations and shall not weaken their application or effectiveness.

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

1 Before the director shall construct said steam generating facility  
2 within the state, or make application for any permit, license or other  
3 right necessary thereto, the director shall give notice thereof by  
4 publishing once a week for four consecutive weeks in a newspaper of  
5 general circulation in the county or counties in which such project is  
6 located a statement of intention setting forth the general nature,  
7 extent and location of the project. If any public utility in the state  
8 or any operating agency desires to construct such facility, such  
9 utility or operating agency shall notify the director thereof within  
10 ten days after the last date of publication of such notice. If the  
11 director determines that it is in the best public interest that the  
12 director proceed with such construction rather than the public utility  
13 or operating agency, the director shall so notify the director of  
14 ((community,)) trade((,)) and economic development, who shall set a  
15 date for hearing thereon. If after considering the evidence introduced  
16 the director of ((community,)) trade((,)) and economic development  
17 finds that the public utility or operating agency making the request  
18 intends to immediately proceed with such construction and is  
19 financially capable of carrying out such construction and further finds  
20 that the plan of such utility or operating agency is equally well  
21 adapted to serve the public interest, the director shall enter an order  
22 so finding and such order shall divest the director of authority to  
23 proceed further with such construction or acquisition until such time  
24 as the other public utility or agency voluntarily causes an assignment  
25 of its right or interest in the project to the director or fails to  
26 procure any further required governmental permit, license or authority  
27 or having procured such, has the same revoked or withdrawn, in  
28 accordance with the laws and regulations of such governmental entity,  
29 in which event the director shall have the same authority to proceed as  
30 though the director had originally entered an order so authorizing the  
31 director to proceed. If, after considering the evidence introduced,  
32 the director of ((community,)) trade((,)) and economic development  
33 finds that the public utility or agency making the request does not  
34 intend to immediately proceed with such construction or acquisition or  
35 is not financially capable of carrying out such construction or  
36 acquisition, or finds that the plan of such utility or operating agency  
37 is not equally well adapted to serve the public interest, the director  
38 shall then enter an order so finding and authorizing the director to  
39 proceed with the construction or acquisition of the facility.

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

3       The department of agriculture is hereby designated as the agency of  
4 state government for the administration and implementation of state  
5 agricultural market development programs and activities, both domestic  
6 and foreign, and shall, in addition to the powers and duties otherwise  
7 imposed by law, have the following powers and duties:

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

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

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

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

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

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

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

30       (8) To publish and disseminate to interested citizens and others  
31 information which will aid in carrying out the purposes of chapters  
32 43.23, 15.64, 15.65, and 15.66 RCW;

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

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

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

4 (12) To coordinate the trade promotional activities of appropriate  
5 federal, state, and local public agencies, as well as civic  
6 organizations; and

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

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

13 **Sec. 323.** RCW 43.160.020 and 1997 c 367 s 8 are each amended to  
14 read as follows:

15 Unless the context clearly requires otherwise, the definitions in  
16 this section apply throughout this chapter.

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

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

21 (3) "Department" means the department of ((community,)) trade((,))  
22 and economic development.

23 (4) "Financial institution" means any bank, savings and loan  
24 association, credit union, development credit corporation, insurance  
25 company, investment company, trust company, savings institution, or  
26 other financial institution approved by the board and maintaining an  
27 office in the state.

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

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

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

36 (8) "Sponsor" means any of the following entities which customarily  
37 provide service or otherwise aid in industrial or other financing and  
38 are approved as a sponsor by the board: A bank, trust company, savings

1 bank, investment bank, national banking association, savings and loan  
2 association, building and loan association, credit union, insurance  
3 company, or any other financial institution, governmental agency, or  
4 holding company of any entity specified in this subsection.

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

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

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

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

15 (a) A nonmetropolitan county, as defined by the 1990 decennial  
16 census, that meets three of the five criteria set forth in subsection  
17 (13) of this section;

18 (b) A nonmetropolitan county with a population of less than forty  
19 thousand in the 1990 decennial census, that meets two of the five  
20 criteria as set forth in subsection (13) of this section; or

21 (c) A nonurbanized area, as defined by the 1990 decennial census,  
22 that is located in a metropolitan county that meets three of the five  
23 criteria set forth in subsection (13) of this section.

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

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

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

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

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

34 (e) An unemployment rate twenty percent or more above the state  
35 average. The counties that meet these criteria shall be determined by  
36 the employment security department for the most recent year for which  
37 data is available. For the purposes of administration of programs  
38 under this chapter, the United States post office five-digit zip code  
39 delivery areas will be used to determine residence status for

1 eligibility purposes. For the purpose of this definition, a zip code  
2 delivery area of which any part is ten miles or more from an urbanized  
3 area is considered nonurbanized. A zip code totally surrounded by zip  
4 codes qualifying as nonurbanized under this definition is also  
5 considered nonurbanized. The office of financial management shall make  
6 available a zip code listing of the areas to all agencies and  
7 organizations providing services under this chapter.

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

10 In addition to its powers and duties under this chapter, the  
11 community economic revitalization board shall cooperate with the  
12 (~~Washington state development loan fund committee~~) department in  
13 order to provide for coordination of their very similar programs.  
14 Under this chapter, it is the duty of the department (~~of community,~~  
15 ~~trade, and economic development and the board~~) to financially assist  
16 the committee to the extent required by law. (~~Funds appropriated to~~  
17 ~~the board or the department of community, trade, and economic~~  
18 ~~development for the use of the board shall be transferred to the~~  
19 ~~department of community, trade, and economic development to the extent~~  
20 ~~required by law.~~)

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

23 (1) There is hereby created the private activity bond subcommittee  
24 of the board.

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

29 (3) The subcommittee shall consist of the following members: Six  
30 members of the board including: (a) The chair; (b) the county  
31 official; (c) the city official; (d) the port district official; (e) a  
32 legislator, appointed by the chair; and (f) the representative of the  
33 public. The members' terms shall coincide with their terms of  
34 appointment to the board.

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



1 (5) Members of the subcommittee shall receive no compensation but  
2 shall be reimbursed for travel expenses under RCW 43.03.050 and  
3 43.03.060.

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

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

10 The Washington economic development finance authority is  
11 established as a public body corporate and politic, with perpetual  
12 corporate succession, constituting an instrumentality of the state of  
13 Washington exercising essential governmental functions. The authority  
14 is a public body within the meaning of RCW 39.53.010.

15 The authority shall consist of eighteen (~~(seventeen)~~) members as  
16 follows: The director of the department of (~~community,~~) trade(~~(7)~~)  
17 and economic development, the director of the department of community  
18 development, the director of the department of agriculture, the state  
19 treasurer, one member from each caucus in the house of representatives  
20 appointed by the speaker of the house, one member from each caucus in  
21 the senate appointed by the president of the senate, and ten public  
22 members with one representative of women-owned businesses and one  
23 representative of minority-owned businesses and with at least three of  
24 the members residing east of the Cascades. The public members shall be  
25 residents of the state appointed by the governor on the basis of their  
26 interest or expertise in trade, agriculture or business finance or jobs  
27 creation and development. One of the public members shall be appointed  
28 by the governor as chair of the authority and shall serve as chair of  
29 the authority at the pleasure of the governor. The authority may  
30 select from its membership such other officers as it deems appropriate.

31 The term of the persons appointed by the governor as public members  
32 of the authority, including the public member appointed as chair, shall  
33 be four years from the date of appointment, except that the term of  
34 three of the initial appointees shall be for two years from the date of  
35 appointment and the term of four of the initial appointees shall be for  
36 three years from the date of appointment. The governor shall designate  
37 the appointees who will serve the two-year and three-year terms.

1 In the event of a vacancy on the authority due to death,  
2 resignation or removal of one of the public members, or upon the  
3 expiration of the term of one of the public members, the governor shall  
4 appoint a successor for the remainder of the unexpired term. If either  
5 of the state offices is abolished, the resulting vacancy on the  
6 authority shall be filled by the state officer who shall succeed  
7 substantially to the power and duties of the abolished office.

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

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

17 The members of the authority shall serve without compensation but  
18 shall be entitled to reimbursement, solely from the funds of the  
19 authority, for expenses incurred in the discharge of their duties under  
20 this chapter. The authority may borrow funds from the department for  
21 the purpose of reimbursing members for expenses; however, the authority  
22 shall repay the department as soon as practicable.

23 A majority of the authority shall constitute a quorum.

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

26 The authority shall receive no appropriation of state funds. The  
27 department of ((community)) trade(( )) and economic development shall  
28 provide staff to the authority, to the extent permitted by law, to  
29 enable the authority to accomplish its purposes; the staff from the  
30 department of ((community)) trade(( )) and economic development may  
31 assist the authority in organizing itself and in designing programs,  
32 but shall not be involved in the issuance of bonds or in making credit  
33 decisions regarding financing provided to borrowers by the authority.  
34 The authority shall report each December on its activities to the  
35 appropriate standing committees of the house of representatives and  
36 senate.

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

3       Unless the context clearly requires otherwise, the definitions in  
4 this section apply throughout this chapter.

5       (1) (~~"Committee" means the Washington state development loan fund~~  
6 ~~committee.~~

7       ~~(2))~~ "Department" means the department of ~~((community,))~~  
8 trade~~((,))~~ and economic development.

9       ~~((3))~~ (2) "Director" means the director of ~~((community,))~~  
10 trade~~((,))~~ and economic development.

11       ~~((4))~~ (3) "Distressed area" means: (a) A county which has an  
12 unemployment rate which is twenty percent above the state average for  
13 the immediately previous three years; (b) a county that has a median  
14 household income that is less than seventy-five percent of the state  
15 median household income for the previous three years; (c) a  
16 metropolitan statistical area, as defined by the office of federal  
17 statistical policy and standards, United States department of commerce,  
18 in which the average level of unemployment for the calendar year  
19 immediately preceding the year in which an application is filed under  
20 this chapter exceeds the average state unemployment for such calendar  
21 year by twenty percent; (d) an area within a county, which area: (i)  
22 Is composed of contiguous census tracts; (ii) has a minimum population  
23 of five thousand persons; (iii) has at least seventy percent of its  
24 families and unrelated individuals with incomes below eighty percent of  
25 the county's median income for families and unrelated individuals; and  
26 (iv) has an unemployment rate which is at least forty percent higher  
27 than the county's unemployment rate; or (e) a county designated as a  
28 rural natural resources impact area under RCW 43.31.601 if an  
29 application is filed by July 1, 1997. For purposes of this definition,  
30 "families and unrelated individuals" has the same meaning that is  
31 ascribed to that term by the federal department of housing and urban  
32 development in its regulations authorizing action grants for economic  
33 development and neighborhood revitalization projects.

34       ~~((5))~~ (4) "Fund" means the Washington state development loan  
35 fund.

36       ~~((6))~~ (5) "Local development organization" means a nonprofit  
37 organization which is organized to operate within an area, demonstrates  
38 a commitment to a long-standing effort for an economic development

1 program, and makes a demonstrable effort to assist in the employment of  
2 unemployed or underemployed residents in an area.

3 ~~((7))~~ (6) "Project" means the establishment of a new or expanded  
4 business in an area which when completed will provide employment  
5 opportunities. "Project" also means the retention of an existing  
6 business in an area which when completed will provide employment  
7 opportunities.

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

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

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

16 Unless the context clearly requires otherwise, the definitions in  
17 this section apply throughout this chapter.

18 (1) "Department" means the department of ~~((community))~~ trade~~(( ))~~  
19 and economic development.

20 (2) "Director" means the director of ~~((community))~~ trade~~(( ))~~ and  
21 economic development.

22 (3) "Program" means the small business innovators' opportunity  
23 program.

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

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

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

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

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

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

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

6 (3) "Department" means the department of ((community,)) trade((,))  
7 and economic development.

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

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

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

18 The small business export finance assistance center and its  
19 branches shall be governed and managed by a board of nineteen directors  
20 appointed by the governor and confirmed by the senate. The directors  
21 shall serve terms of six years except that two of the original  
22 directors shall serve for two years and two of the original directors  
23 shall serve for four years. The directors may provide for the payment  
24 of their expenses. The directors shall include a representative of a  
25 not-for-profit corporation formed for the purpose of facilitating  
26 economic development, at least two representatives of state financial  
27 institutions engaged in the financing of export transactions, a  
28 representative of a port district, and a representative of organized  
29 labor. Of the remaining board members, there shall be one  
30 representative of business from the area west of Puget Sound, one  
31 representative of business from the area east of Puget Sound and west  
32 of the Cascade range, one representative of business from the area east  
33 of the Cascade range and west of the Columbia river, one representative  
34 of business from the area east of the Columbia river, the director of  
35 the department of ((community,)) trade((,)) and economic development,  
36 and the director of the department of agriculture. One of the  
37 directors shall be a representative of the public selected from the  
38 area in the state west of the Cascade mountain range and one director

1 shall be a representative of the public selected from that area of the  
2 state east of the Cascade mountain range. One director shall be a  
3 representative of the public at large. The directors shall be broadly  
4 representative of geographic areas of the state, and the  
5 representatives of businesses shall represent at least four different  
6 industries in different sized businesses as follows: (a) One  
7 representative of a company employing fewer than one hundred persons;  
8 (b) one representative of a company employing between one hundred and  
9 five hundred persons; (c) one representative of a company employing  
10 more than five hundred persons; (d) one representative from an export  
11 management company; and (e) one representative from an agricultural or  
12 food processing company. Any vacancies on the board due to the  
13 expiration of a term or for any other reason shall be filled by  
14 appointment by the governor for the unexpired term.

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

17 The small business export finance assistance center formed under  
18 RCW 43.210.020 and 43.210.030 shall enter into a contract under this  
19 chapter with the department of ((community<sub>7</sub>)) trade((<sub>7</sub>)) and economic  
20 development or its statutory successor. The contract shall require the  
21 center to provide export assistance services, consistent with RCW  
22 43.210.070 and 43.210.100 through 43.210.120, shall have a duration of  
23 two years, and shall require the center to aggressively seek to fund  
24 its continued operation from nonstate funds. The contract shall also  
25 require the center to report annually to the department on its success  
26 in obtaining nonstate funding. Upon expiration of the contract, any  
27 provisions within the contract applicable to the Pacific Northwest  
28 export assistance project shall be automatically renewed without change  
29 provided the legislature appropriates funds for administration of the  
30 small business export assistance center and the Pacific Northwest  
31 export assistance project. The provisions of the contract related to  
32 the Pacific Northwest export assistance project may be changed at any  
33 time if the director of the department of ((community<sub>7</sub>)) trade((<sub>7</sub>)) and  
34 economic development or the president of the small business export  
35 finance assistance center present compelling reasons supporting the  
36 need for a contract change to the board of directors and a majority of  
37 the board of directors agrees to the changes. The department of  
38 agriculture shall be included in the contracting negotiations with the

1 department of (~~community~~) trade(~~)~~) and economic development and  
2 the small business export finance assistance center when the Pacific  
3 Northwest export assistance project provides export services to  
4 industrial sectors within the administrative domain of the Washington  
5 state department of agriculture. The department of (~~community~~)  
6 trade(~~)~~) and economic development, the small business export finance  
7 assistance center, and, if appropriate, the department of agriculture,  
8 shall report annually, as one group, to the appropriate legislative  
9 oversight committees on the progress of the Pacific Northwest export  
10 assistance project.

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

13 The department of (~~community~~) trade(~~)~~) and economic  
14 development or its statutory successor shall adopt rules under chapter  
15 34.05 RCW as necessary to carry out the purposes of this chapter.

16 **Sec. 335.** RCW 43.330.092 and 1997 c 220 s 222 (Referendum Bill No.  
17 48) are each amended to read as follows:

18 The film and video promotion account is created in the state  
19 treasury. All receipts from RCW 36.102.060(14) must be deposited into  
20 the account. Moneys in the account may be spent only after  
21 appropriation. Expenditures from the account may be used by the  
22 department (~~of community, trade, and economic development~~) only for  
23 the purposes of promotion of the film and video production industry in  
24 the state of Washington.

25 **Sec. 336.** RCW 43.330.094 and 1997 c 220 s 223 (Referendum Bill No.  
26 48) are each amended to read as follows:

27 The tourism development and promotion account is created in the  
28 state treasury. All receipts from RCW 36.102.060(10) must be deposited  
29 into the account. Moneys in the account may be spent only after  
30 appropriation. Expenditures from the account may be used by the  
31 department (~~of community, trade, and economic development~~) only for  
32 the purposes of promotion of the tourism industry in the state of  
33 Washington.

34 **Sec. 337.** RCW 50.67.030 and 1994 sp.s. c 3 s 8 are each amended to  
35 read as follows:

1 In addition to its duties under this chapter, the Washington state  
2 job training coordinating council shall advise the employment security  
3 department and the department of ((community,)) trade((,)) and economic  
4 development on the development and implementation of the Washington  
5 youthbuild program created under chapter 50.72 RCW.

6 **Sec. 338.** RCW 50.72.030 and 1994 sp.s. c 3 s 3 are each amended to  
7 read as follows:

8 The Washington youthbuild program is established within the  
9 department. The commissioner, in cooperation and consultation with the  
10 director of the department of ((community,)) trade((,)) and economic  
11 development, shall:

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

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

26 **Sec. 339.** RCW 67.16.100 and 1995 c 399 s 166 are each amended to  
27 read as follows:

28 (1) All sums paid to the commission under this chapter, including  
29 those sums collected for license fees and excluding those sums  
30 collected under RCW 67.16.102((,)) and 67.16.105(3), ((and  
31 67.16.105(4),)) shall be disposed of by the commission as follows:

32 (a) Fifty percent thereof shall be retained by the commission for  
33 the payment of the salaries of its members, secretary, clerical,  
34 office, and other help and all expenses incurred in carrying out the  
35 provisions of this chapter. No salary, wages, expenses, or  
36 compensation of any kind shall be paid by the state in connection with  
37 the work of the commission.



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

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

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

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

21 **Sec. 340.** RCW 70.95.265 and 1995 c 399 s 190 are each amended to  
22 read as follows:

23 The department shall work closely with the department of  
24 ((community~~7~~)) trade((~~7~~)) and economic development, the department of  
25 general administration, and with other state departments and agencies,  
26 the Washington state association of counties, the association of  
27 Washington cities, and business associations, to carry out the  
28 objectives and purposes of chapter 41, Laws of 1975-'76 2nd ex. sess.

29 **Sec. 341.** RCW 70.95.810 and 1995 c 399 s 191 are each amended to  
30 read as follows:

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

34 (2) The department, in cooperation with the department of  
35 ((community~~7~~)) trade((~~7~~)) and economic development, may approve an  
36 application if the project can demonstrate the essential parameters for  
37 successful composting, including, but not limited to, cost-

1 effectiveness, handling and safety requirements, and current and  
2 potential markets.

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

6 **Sec. 342.** RCW 70.95H.007 and 1995 c 399 s 192 are each amended to  
7 read as follows:

8 There is created the clean Washington center within the department  
9 of ((community<sub>7</sub>)) trade((<sub>7</sub>)) and economic development. As used in this  
10 chapter, "center" means the clean Washington center.

11 **Sec. 343.** RCW 70.95H.050 and 1995 c 399 s 194 are each amended to  
12 read as follows:

13 The center shall solicit financial contributions and support from  
14 manufacturing industries and other private sector sources, foundations,  
15 and grants from governmental sources to assist in conducting its  
16 activities. It may also use separately appropriated funds of the  
17 department of ((community<sub>7</sub>)) trade((<sub>7</sub>)) and economic development for  
18 the center's activities.

19 **Sec. 344.** RCW 76.09.030 and 1995 c 399 s 207 are each amended to  
20 read as follows:

21 (1) There is hereby created the forest practices board of the state  
22 of Washington as an agency of state government consisting of members as  
23 follows:

24 (a) The commissioner of public lands or the commissioner's  
25 designee;

26 (b) The director of the department of ((community<sub>7</sub>)) trade((<sub>7</sub>)) and  
27 economic development or the director's designee;

28 (c) The director of the department of agriculture or the director's  
29 designee;

30 (d) The director of the department of ecology or the director's  
31 designee;

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

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

5 (2) The members of the initial board appointed by the governor  
6 shall be appointed so that the term of one member shall expire December  
7 31, 1975, the term of one member shall expire December 31, 1976, the  
8 term of one member shall expire December 31, 1977, the terms of two  
9 members shall expire December 31, 1978, and the terms of two members  
10 shall expire December 31, 1979. Thereafter, each member shall be  
11 appointed for a term of four years. Vacancies on the board shall be  
12 filled in the same manner as the original appointments. Each member of  
13 the board shall continue in office until his or her successor is  
14 appointed and qualified. The commissioner of public lands or the  
15 commissioner's designee shall be the chairman of the board.

16 (3) The board shall meet at such times and places as shall be  
17 designated by the chairman or upon the written request of the majority  
18 of the board. The principal office of the board shall be at the state  
19 capital.

20 (4) Members of the board, except public employees and elected  
21 officials, shall be compensated in accordance with RCW 43.03.250. Each  
22 member shall be entitled to reimbursement for travel expenses incurred  
23 in the performance of their duties as provided in RCW 43.03.050 and  
24 43.03.060.

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

27 **Sec. 345.** RCW 76.56.020 and 1994 c 282 s 1 are each amended to  
28 read as follows:

29 The center shall:

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

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

35 (b) The development of technology or commercialization support for  
36 manufactured products that will meet the evolving needs of  
37 international customers;

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

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

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

13 (3) Monitor international forest products markets and assess the  
14 status of the state's forest products industry, including the  
15 competitiveness of small and medium-sized secondary manufacturing firms  
16 in the forest products industry, which for the purposes of this chapter  
17 shall be firms with annual revenues of twenty-five million or less, and  
18 including the increased exports of Washington-produced products of  
19 small and medium-sized secondary manufacturing firms;

20 (4) Provide high-quality research and graduate education and  
21 professional nondegree training in international trade in forest  
22 products in cooperation with the University of Washington's graduate  
23 school of business administration, the school of law, the Jackson  
24 school of international studies, the Northwest policy center of the  
25 graduate school of public administration, and other supporting academic  
26 units;

27 (5) Develop cooperative linkages with the international marketing  
28 program for agricultural commodities and trade at Washington State  
29 University, the international trade project of the United States forest  
30 service, the department of natural resources, the department of  
31 ((community,)) trade((,)) and economic development, the small business  
32 export finance assistance center, and other state and federal agencies  
33 to avoid duplication of effort and programs;

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

1 (7) Provide for public dissemination of research, analysis, and  
2 results of the center's programs to all groups, including direct  
3 assistance groups, through technical workshops, short courses,  
4 international and national symposia, cooperation with private sector  
5 networks and marketing associations, or other means, including  
6 appropriate publications;

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

21 (9) Establish advisory or technical committees for each research  
22 program area, to advise on research program area priorities, consistent  
23 with the international trade opportunities achievable by the forest  
24 products sector of the state and region, to help ensure projects are  
25 relevant to industry needs, and to advise on and support effective  
26 dissemination of research results. Each advisory or technical  
27 committee shall include representatives of forest products industries  
28 that might benefit from this research.

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

34 **Sec. 346.** RCW 77.12.710 and 1995 c 399 s 208 are each amended to  
35 read as follows:

36 The legislature hereby directs the department to determine the  
37 feasibility and cost of doubling the state-wide game fish production by  
38 the year 2000. The department shall seek to equalize the effort and

1 investment expended on anadromous and resident game fish programs. The  
2 department shall provide the legislature with a specific plan for  
3 legislative approval that will outline the feasibility of increasing  
4 game fish production by one hundred percent over current levels by the  
5 year 2000. The plan shall contain specific provisions to increase both  
6 hatchery and naturally spawning game fish to a level that will support  
7 the production goal established in this section consistent with  
8 department policies. Steelhead trout, searun cutthroat trout, resident  
9 trout, and warmwater fish producing areas of the state shall be  
10 included in the plan. The department shall provide the plan to the  
11 house of representatives and senate ways and means, environment and  
12 natural resources, environmental affairs, fisheries and wildlife, and  
13 natural resources committees by December 31, 1990.

14 The plan shall include the following critical elements:

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

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

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

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

23 (5) Methods for increasing the productivity of natural spawning  
24 game fish;

25 (6) Application of new technology to increase hatchery and natural  
26 productivity;

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

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

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

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

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

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

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

39 (14) Development of disease control measures;

1 (15) Methods for obtaining access to waters currently not available  
2 to anglers; and

3 (16) Development of research programs to support game fish  
4 management and enhancement programs.

5 The department, in cooperation with the department of revenue,  
6 shall assess various funding mechanisms and make recommendations to the  
7 legislature in the plan. The department, in cooperation with the  
8 department of ((community)) trade(( )) and economic development, shall  
9 prepare an analysis of the economic benefits to the state that will  
10 occur when the game fish production is increased by one hundred percent  
11 in the year 2000.

12 **Sec. 347.** RCW 81.80.450 and 1995 c 399 s 212 are each amended to  
13 read as follows:

14 (1) The department of ((community)) trade(( )) and economic  
15 development, in conjunction with the utilities and transportation  
16 commission and the department of ecology, shall evaluate the effect of  
17 exempting motor vehicles transporting recovered materials from rate  
18 regulation as provided under RCW 81.80.440. The evaluation shall, at  
19 a minimum, describe the effect of such exemption on:

20 (a) The cost and timeliness of transporting recovered materials  
21 within the state;

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

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

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

27 (2) The department shall report the results of its evaluation to  
28 the appropriate standing committees of the legislature by October 1,  
29 1993.

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

34 **Sec. 348.** RCW 82.61.070 and 1995 c 399 s 215 are each amended to  
35 read as follows:

36 The department and the department of ((community)) trade(( )) and  
37 economic development shall jointly report to the legislature about the

1 effects of this chapter on new manufacturing and research and  
2 development activities in this state. The report shall contain  
3 information concerning the number of deferral certificates granted, the  
4 amount of sales tax deferred, the number of jobs created and other  
5 information useful in measuring such effects. Reports shall be  
6 submitted by January 1, 1986, and by January 1 of each year through  
7 1999.

8 **Sec. 349.** RCW 88.12.275 and 1997 c 391 s 7 are each amended to  
9 read as follows:

10 (1) The department of licensing shall issue a whitewater river  
11 outfitter's license to an applicant who submits a completed  
12 application, pays the required fee, and complies with the requirements  
13 of this section.

14 (2) An applicant for a whitewater river outfitter's license shall  
15 make application upon a form provided by the department of licensing.  
16 The form must be submitted annually and include the following  
17 information:

18 (a) The name, residence address, and residence telephone number,  
19 and the business name, address, and telephone number of the applicant;

20 (b) Certification that all employees, subcontractors, or  
21 independent contractors hired as guides meet training standards under  
22 RCW 88.12.245(2) before carrying any passengers for hire;

23 (c) Proof that the applicant has liability insurance for a minimum  
24 of three hundred thousand dollars per claim for occurrences by the  
25 applicant and the applicant's employees that result in bodily injury or  
26 property damage. All guides must be covered by the applicant's  
27 insurance policy;

28 (d) Certification that the applicant will maintain the insurance  
29 for a period of not less than one year from the date of issuance of the  
30 license; and

31 (e) Certification by the applicant that for a period of not less  
32 than twenty-four months immediately preceding the application the  
33 applicant:

34 (i) Has not had a license, permit, or certificate to carry  
35 passengers for hire on a river revoked by another state or by an agency  
36 of the government of the United States due to a conviction for a  
37 violation of safety or insurance coverage requirements no more  
38 stringent than the requirements of this chapter; and



1 (ii) Has not been denied the right to apply for a license, permit,  
2 or certificate to carry passengers for hire on a river by another  
3 state.

4 (3) The department of licensing shall charge a fee for each  
5 application, to be set in accordance with RCW 43.24.086.

6 (4) Any person advertising or representing himself or herself as a  
7 whitewater river outfitter who is not currently licensed is guilty of  
8 a gross misdemeanor.

9 (5) The department of licensing shall submit annually a list of  
10 licensed persons and companies to the department of ((community,))  
11 trade((,)) and economic development, tourism promotion division.

12 (6) If an insurance company cancels or refuses to renew insurance  
13 for a licensee, the insurance company shall notify the department of  
14 licensing in writing of the termination of coverage and its effective  
15 date not less than thirty days before the effective date of  
16 termination.

17 (a) Upon receipt of an insurance company termination notice, the  
18 department of licensing shall send written notice to the licensee that  
19 on the effective date of termination the department of licensing will  
20 suspend the license unless proof of insurance as required by this  
21 section is filed with the department of licensing before the effective  
22 date of the termination.

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

26 (c) The department of licensing may suspend a license under this  
27 section if the licensee fails to maintain in full force and effect the  
28 insurance required by this section.

29 (7) The state of Washington shall be immune from any civil action  
30 arising from the issuance of a license under this section.

31 **PART IV**

32 **REFERENCES TO DEPARTMENT OF COMMUNITY DEVELOPMENT**  
33 **AND DEPARTMENT OF TRADE AND ECONOMIC DEVELOPMENT**

34 **Sec. 401.** RCW 41.06.070 and 1996 c 319 s 3, 1996 c 288 s 33, and  
35 1996 c 186 s 109 are each reenacted and amended to read as follows:

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

1 (a) The members of the legislature or to any employee of, or  
2 position in, the legislative branch of the state government including  
3 members, officers, and employees of the legislative council, joint  
4 legislative audit and review committee, statute law committee, and any  
5 interim committee of the legislature;

6 (b) The justices of the supreme court, judges of the court of  
7 appeals, judges of the superior courts or of the inferior courts, or to  
8 any employee of, or position in the judicial branch of state  
9 government;

10 (c) Officers, academic personnel, and employees of technical  
11 colleges;

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

13 (e) Elective officers of the state;

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

15 (g) In the departments of employment security and social and health  
16 services, the director and the director's confidential secretary; in  
17 all other departments, the executive head of which is an individual  
18 appointed by the governor, the director, his or her confidential  
19 secretary, and his or her statutory assistant directors;

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

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

24 (ii) If the members of the board, commission, or committee serve on  
25 a part-time basis and there is a statutory executive officer: The  
26 secretary of the board, commission, or committee; the chief executive  
27 officer of the board, commission, or committee; and the confidential  
28 secretary of the chief executive officer of the board, commission, or  
29 committee;

30 (iii) If the members of the board, commission, or committee serve  
31 on a full-time basis: The chief executive officer or administrative  
32 officer as designated by the board, commission, or committee; and a  
33 confidential secretary to the chair of the board, commission, or  
34 committee;

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

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

1 (j) Assistant attorneys general;

2 (k) Commissioned and enlisted personnel in the military service of  
3 the state;

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

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

9 (n) Officers and employees of the Washington state fruit  
10 commission;

11 (o) Officers and employees of the Washington state apple  
12 advertising commission;

13 (p) Officers and employees of the Washington state dairy products  
14 commission;

15 (q) Officers and employees of the Washington tree fruit research  
16 commission;

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

18 (s) Officers and employees of any commission formed under chapter  
19 15.66 RCW;

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

22 (u) Officers and employees of agricultural commissions formed under  
23 chapter 15.65 RCW;

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

26 (w) Executive assistants for personnel administration and labor  
27 relations in all state agencies employing such executive assistants  
28 including but not limited to all departments, offices, commissions,  
29 committees, boards, or other bodies subject to the provisions of this  
30 chapter and this subsection shall prevail over any provision of law  
31 inconsistent herewith unless specific exception is made in such law;

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

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

37 (z) (~~Up to a total of five senior staff positions of the western~~  
38 ~~library network under chapter 27.26 RCW responsible for formulating~~

1 ~~policy or for directing program management of a major administrative~~  
2 ~~unit. This subsection (1)(z) shall expire on June 30, 1997;~~

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

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

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

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

31 (b) Student, part-time, or temporary employees, and part-time  
32 professional consultants, as defined by the Washington personnel  
33 resources board, employed by institutions of higher education and  
34 related boards;

35 (c) The governing board of each institution, and related boards,  
36 may also exempt from this chapter classifications involving research  
37 activities, counseling of students, extension or continuing education  
38 activities, graphic arts or publications activities requiring  
39 prescribed academic preparation or special training as determined by

1 the board: PROVIDED, That no nonacademic employee engaged in office,  
2 clerical, maintenance, or food and trade services may be exempted by  
3 the board under this provision;

4 (d) Printing craft employees in the department of printing at the  
5 University of Washington.

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

31 The salary and fringe benefits of all positions presently or  
32 hereafter exempted except for the chief executive officer of each  
33 agency, full-time members of boards and commissions, administrative  
34 assistants and confidential secretaries in the immediate office of an  
35 elected state official, and the personnel listed in subsections (1)(j)  
36 through (v), (y), (z), and (2) of this section, shall be determined by  
37 the Washington personnel resources board. However, beginning with  
38 changes proposed for the 1997-99 fiscal biennium, changes to the  
39 classification plan affecting exempt salaries must meet the same

1 provisions for classified salary increases resulting from adjustments  
2 to the classification plan as outlined in RCW 41.06.152.

3 Any person holding a classified position subject to the provisions  
4 of this chapter shall, when and if such position is subsequently  
5 exempted from the application of this chapter, be afforded the  
6 following rights: If such person previously held permanent status in  
7 another classified position, such person shall have a right of  
8 reversion to the highest class of position previously held, or to a  
9 position of similar nature and salary.

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

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

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

19 In addition to the exemptions set forth in this chapter, this  
20 chapter shall not apply within the departments of community(~~(, trade,~~  
21 ~~and economic)) development and trade and economic development to the  
22 director(~~(,)) and one confidential secretary for each department, the  
23 deputy directors, all assistant directors, the state historic  
24 preservation officer, and up to two professional staff members within  
25 the emergency management program.~~~~

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

28 (1) The governor may, by executive order, after consultation with  
29 or notification of the executive-legislative committee on economic  
30 development created by chapter . . . (Senate Bill No. 5300), Laws of  
31 1993, declare a community to be a "military impacted area." A  
32 "military impacted area" means a community or communities, as  
33 identified in the executive order, that experience serious social and  
34 economic hardships because of a change in defense spending by the  
35 federal government in that community or communities.

36 (2) If the governor executes an order under subsection (1) of this  
37 section, the governor shall establish a response team to coordinate

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

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

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

33 There shall be departments of the state government which shall be  
34 known as (1) the department of social and health services, (2) the  
35 department of ecology, (3) the department of labor and industries, (4)  
36 the department of agriculture, (5) the department of fish and wildlife,  
37 (6) the department of transportation, (7) the department of licensing,  
38 (8) the department of general administration, (9) the department of

1 community(~~(, trade, and economic)~~) development, (10) the department of  
2 veterans affairs, (11) the department of revenue, (12) the department  
3 of retirement systems, (13) the department of corrections, (~~(and)~~) (14)  
4 the department of health, (~~(and)~~) (15) the department of financial  
5 institutions, and (16) the department of trade and economic  
6 development, which shall be charged with the execution, enforcement,  
7 and administration of such laws, and invested with such powers and  
8 required to perform such duties, as the legislature may provide.

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

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

21 Such officers, except the secretary of transportation and the  
22 director of fish and wildlife, shall be appointed by the governor, with  
23 the consent of the senate, and hold office at the pleasure of the  
24 governor. The secretary of transportation shall be appointed by the  
25 transportation commission as prescribed by RCW 47.01.041. The director  
26 of fish and wildlife shall be appointed by the fish and wildlife  
27 commission as prescribed by RCW 77.04.055.

28  
29 **Sec. 406.** RCW 43.160.030 and 1996 c 51 s 3 are each amended to  
30 read as follows:

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

33 (2) The board shall consist of the chairman of and one minority  
34 member appointed by the speaker of the house of representatives from  
35 the committee of the house of representatives that deals with issues of  
36 economic development, the chairman of and one minority member appointed  
37 by the president of the senate from the committee of the senate that



1 deals with issues of economic development, and the following members  
2 appointed by the governor: A recognized private or public sector  
3 economist; one port district official; one county official; one city  
4 official; one representative of the public; one representative of small  
5 businesses each from: (a) The area west of Puget Sound, (b) the area  
6 east of Puget Sound and west of the Cascade range, (c) the area east of  
7 the Cascade range and west of the Columbia river, and (d) the area east  
8 of the Columbia river; one executive from large businesses each from  
9 the area west of the Cascades and the area east of the Cascades. The  
10 appointive members shall initially be appointed to terms as follows:  
11 Three members for one-year terms, three members for two-year terms, and  
12 three members for three-year terms which shall include the chair.  
13 Thereafter each succeeding term shall be for three years. The chair of  
14 the board shall be selected by the governor. The members of the board  
15 shall elect one of their members to serve as vice-chair. The director  
16 of community(~~(, trade, and economic)~~) development, the director of  
17 trade and economic development, the director of revenue, the  
18 commissioner of employment security, and the secretary of  
19 transportation shall serve as nonvoting advisory members of the board.

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

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

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

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

35 **Sec. 407.** RCW 43.163.060 and 1995 c 399 s 90 are each amended to  
36 read as follows:

37 (1) The authority is authorized to participate fully in federal and  
38 other governmental economic development finance programs and to take

1 such actions as are necessary and consistent with this chapter to  
2 secure to itself and the people of the state the benefits of those  
3 programs and to meet their requirements.

4 (2) The authority shall coordinate its programs with those  
5 contributing to a common purpose found elsewhere in the departments of  
6 community(~~(, trade, and economic)~~) development, trade and economic  
7 development, agriculture or employment security, or any other  
8 department or organization of, or affiliated with, the state or federal  
9 government, and shall avoid any duplication of such activities or  
10 programs provided elsewhere. The departments of community(~~(, trade,~~  
11 ~~and economic)~~) development, trade and economic development,  
12 agriculture, employment security and other relevant state agencies  
13 shall provide to the authority all reports prepared in the course of  
14 their ongoing activities which may assist in the identification of  
15 unmet capital financing needs by small-sized and medium-sized  
16 businesses in the state.

17 **Sec. 408.** RCW 47.39.090 and 1995 c 399 s 123 are each amended to  
18 read as follows:

19 In developing the scenic and recreational highways program, the  
20 department shall consult with the department of community(~~(, trade, and~~  
21 ~~economic)~~) development, the department of trade and economic  
22 development, the department of natural resources, the parks and  
23 recreation commission, affected cities, towns, and counties, regional  
24 transportation planning organizations, state-wide bicycling  
25 organizations, and other interested parties. The scenic and  
26 recreational highways program may identify entire highway loops or  
27 similar tourist routes that could be developed to promote tourist  
28 activity and provide concurrent economic growth while protecting the  
29 scenic and recreational quality surrounding state highways.

30 **Sec. 409.** RCW 47.76.230 and 1995 c 380 s 4 are each amended to  
31 read as follows:

32 (1) The department of transportation shall continue its  
33 responsibility for the development and implementation of the state rail  
34 plan and programs, and the utilities and transportation commission  
35 shall continue its responsibility for intrastate rates, service, and  
36 safety issues.

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

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

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

10 (b) Assistance in the formation of county rail districts and port  
11 districts; and

12 (c) Feasibility studies for rail service continuation and/or rail  
13 service assistance.

14 (4) With funding authorized by the legislature, the department of  
15 transportation, in collaboration with the department of community(~~(~~  
16 ~~trade, and economic~~) development, the department of trade and economic  
17 development, and local economic development agencies, and other  
18 interested public and private organizations, shall develop a  
19 cooperative process to conduct community and business information  
20 programs and to regularly disseminate information on rail matters.

21 **Sec. 410.** RCW 50.38.030 and 1995 c 399 s 142 are each amended to  
22 read as follows:

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

25 (1) Office of financial management;

26 (2) Department of community(~~(~~~~trade, and economic~~) development;

27 (3) Department of labor and industries;

28 (4) State board for community and technical colleges;

29 (5) Superintendent of public instruction;

30 (6) Department of social and health services;

31 (7) Department of trade and economic development;

32 (8) Work force training and education coordinating board; and

33 ~~((+8))~~ (9) Other state and local agencies as deemed appropriate by  
34 the commissioner of the employment security department.

35 These agencies shall cooperate with the employment security  
36 department, submitting information relevant to the generation of  
37 occupational forecasts.

1       **Sec. 411.** RCW 80.50.030 and 1996 c 186 s 108 are each amended to  
2 read as follows:

3       (1) There is created and established the energy facility site  
4 evaluation council.

5       (2)(a) The chairman of the council shall be appointed by the  
6 governor with the advice and consent of the senate, shall have a vote  
7 on matters before the council, shall serve for a term coextensive with  
8 the term of the governor, and is removable for cause. The chairman may  
9 designate a member of the council to serve as acting chairman in the  
10 event of the chairman's absence. The chairman is a "state employee"  
11 for the purposes of chapter 42.52 RCW. As applicable, when attending  
12 meetings of the council, members may receive reimbursement for travel  
13 expenses in accordance with RCW 43.03.050 and 43.03.060, and are  
14 eligible for compensation under RCW 43.03.250.

15       (b) The chairman or a designee shall execute all official  
16 documents, contracts, and other materials on behalf of the council.  
17 The (~~Washington state~~) department of community(~~, trade, and~~  
18 ~~economic~~) development and the department of trade and economic  
19 development shall provide all administrative and staff support for the  
20 council. The director of the department of community, trade, and  
21 economic development has supervisory authority over the staff of the  
22 council and shall employ such personnel as are necessary to implement  
23 this chapter. Not more than three such employees may be exempt from  
24 chapter 41.06 RCW.

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

- 28       (a) Department of ecology;
- 29       (b) Department of fish and wildlife;
- 30       (c) Department of health;
- 31       (d) Military department;
- 32       (e) Department of community(~~, trade, and economic~~) development;
- 33       (f) Utilities and transportation commission;
- 34       (g) Department of natural resources;
- 35       (h) Department of agriculture;
- 36       (i) Department of trade and economic development; and
- 37       (j) Department of transportation.

38       (4) The appropriate county legislative authority of every county  
39 wherein an application for a proposed site is filed shall appoint a

1 member or designee as a voting member to the council. The member or  
2 designee so appointed shall sit with the council only at such times as  
3 the council considers the proposed site for the county which he or she  
4 represents, and such member or designee shall serve until there has  
5 been a final acceptance or rejection of the proposed site.

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

13 (6) For any port district wherein an application for a proposed  
14 port facility is filed subject to this chapter, the port district shall  
15 appoint a member or designee as a nonvoting member to the council. The  
16 member or designee so appointed shall sit with the council only at such  
17 times as the council considers the proposed site for the port district  
18 which he or she represents, and such member or designee shall serve  
19 until there has been a final acceptance or rejection of the proposed  
20 site. The provisions of this subsection shall not apply if the port  
21 district is the applicant, either singly or in partnership or  
22 association with any other person.

23 **PART V**

24 **MISCELLANEOUS**

25 NEW SECTION. **Sec. 501.** Part headings used in this act are not any  
26 part of the law.

27 NEW SECTION. **Sec. 502.** Sections 201 through 205 and 223 through  
28 225 of this act are each added to chapter 43.31 RCW.

29 NEW SECTION. **Sec. 503.** Section 318 of this act expires December  
30 31, 2000.

31 NEW SECTION. **Sec. 504.** Sections 101 through 129, 201 through 227,  
32 301 through 349, 401 through 411, and 501 of this act take effect July  
33 1, 1998.

1        NEW SECTION.   **Sec. 505.**   The sum of two million dollars, or as much  
2        thereof as may be necessary, is appropriated for the fiscal year ending  
3        June 30, 1999, from the general fund to the department of trade and  
4        economic development for the purposes of this act.

5        NEW SECTION.   **Sec. 506.**   Sections 1 and 2 of this act are necessary  
6        for the immediate preservation of the public peace, health, or safety,  
7        or support of the state government and its existing public  
8        institutions, and take effect immediately.

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