

---

SENATE BILL 5642

---

State of Washington

59th Legislature

2005 Regular Session

By Senators Eide, Haugen, Shin, Keiser, Rasmussen, McAuliffe and Kohl-Welles

Read first time 02/01/2005. Referred to Committee on International Trade & Economic Development.

1 AN ACT Relating to business and job retention and expansion;  
2 amending RCW 50.12.190; adding a new chapter to Title 43 RCW; and  
3 making appropriations.

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

5 NEW SECTION. **Sec. 1.** (1) The legislature finds that structural  
6 changes in the state's economy have resulted in business failures and  
7 job loss leading to large increases in social costs such as  
8 unemployment compensation, public assistance, health programs, and lost  
9 taxes normally paid by workers and businesses.

10 (2) It is the intent of the legislature to develop a comprehensive  
11 program to retain businesses and jobs.

12 (3) It is the purpose of this act to authorize and fund the  
13 creation of a statewide business and job retention program that places  
14 primary reliance on locally based business and job retention programs  
15 to assist businesses that are likely to close, fail, or experience a  
16 permanent mass layoff. The state's primary role in the business and  
17 job retention program is to provide continuing financial and technical  
18 assistance and training to the locally based business and job retention  
19 programs to ensure their success.

1        NEW SECTION.    **Sec. 2.**    There is established within the department  
2 of community, trade, and economic development the business and job  
3 retention and expansion program. The director shall solicit volunteer  
4 assistance; work with the small business development centers, the  
5 Washington manufacturing service, the Washington technology center,  
6 local early warning programs, local one-stop centers, labor  
7 representatives, and other appropriate public and private agencies and  
8 organizations; and contract with private consultants for such services  
9 as the director deems advisable.

10        NEW SECTION.    **Sec. 3.**    The director shall appoint an advisory  
11 committee having representation from businesses, government, labor  
12 organizations, and work force training and education programs. The  
13 director shall consult with the advisory committee in developing  
14 implementation plans for carrying out this chapter and shall monitor  
15 implementation and operations of the state and regional components of  
16 the program. Members of the advisory committee shall receive no  
17 compensation but shall be reimbursed for travel expenses under RCW  
18 43.03.050 and 43.03.060.

19        NEW SECTION.    **Sec. 4.**    The director, after consultation with the  
20 advisory committee, shall:

21        (1) Designate service delivery regions in the state, each of which  
22 shall have at least one county and no more than six counties;

23        (2) Put out requests for proposals for the operation of business  
24 and job retention and expansion programs for each region. The director  
25 shall evaluate the proposals and select a program for each region based  
26 on the proposed programs':

27        (a) Inclusion of representatives of business, labor, training  
28 institutions, and local government;

29        (b) Plan for administration of surveys of businesses, utilities,  
30 employees, financial institutions, and community groups to gather  
31 information about business needs, expansion plans, relocation  
32 decisions, training needs, potential layoffs, financing needs, the  
33 availability of financing and other appropriate information about  
34 economic trends, and specific employer and employee needs in the  
35 region; and

1 (c) Plan for delivery of job retention and business retention and  
2 expansion services including job skills training, production process  
3 analysis, product development assistance, marketing, and financial and  
4 other management services;

5 The local programs shall be required to provide a local matching  
6 contribution to the operation of the program;

7 (3) Develop a model local economic survey and assist the regional  
8 business and job retention and expansion program in administering a  
9 survey in each region;

10 (4) Designate proposed criteria for receipt of services offered by  
11 the regional programs to businesses, labor unions, employee groups,  
12 community groups, local governments, and port districts. Such  
13 criteria shall include the number of employees affected, the type of  
14 business involved, reemployment potential of employees, severity of  
15 problems affecting the business or work force, skill level of the work  
16 force, availability of financing, and the social and economic costs of  
17 layoffs or closure;

18 (5) Be responsible for the development and implementation of  
19 training programs for the regional business and job retention and  
20 expansion programs. The training programs shall be designed to assist  
21 the programs in administering economic surveys, developing and  
22 coordinating local resources, assessing the need for outside resources,  
23 and locating other public and private resources needed to assist firms;  
24 and

25 (6) Provide or coordinate the delivery of technical and managerial  
26 assistance upon request from the local business and job retention and  
27 expansion programs in the areas of financial management, marketing,  
28 product development, production process analysis, training, and other  
29 business services.

30 NEW SECTION. **Sec. 5.** The local business and job retention and  
31 expansion programs shall provide marketing, technical, managerial, and  
32 training assistance or referral appropriate to client businesses,  
33 unions, employee groups, and work forces. The programs shall initiate  
34 contact with those firms or employees indicating, through the economic  
35 surveys or otherwise, the potential for closure, mass layoff, or  
36 relocation. For firms or employees not indicating such potential, the  
37 provision of services from the programs shall be in response to direct

1 requests from firms, labor unions, employee groups, community groups,  
2 local governments, and port districts. Where appropriate, program  
3 coordinators shall assist local governments or organizations in  
4 applying for local development matching funds from the department of  
5 community, trade, and economic development.

6 The local program shall coordinate the delivery of technical,  
7 managerial, financial, training, and other assistance. The program  
8 shall work with the employment security department, private industry  
9 councils, and local reemployment centers.

10 NEW SECTION. **Sec. 6.** In addition to the responsibilities set  
11 forth in sections 2 through 5 of this act, the department of community,  
12 trade, and economic development shall draw upon its existing resources,  
13 employment and economic data from the employment security department,  
14 and data from the department of licensing and the department of revenue  
15 and other sources, to do nonduplicative analyses of trends in the  
16 state's industries and work forces. The department shall make such  
17 analyses available to relevant businesses, labor organizations or work  
18 forces, local governments, economic development organizations, early  
19 warning programs, and business and job retention programs, and shall  
20 work with them to develop long-term strategies for economic growth and  
21 revitalization.

22 **Sec. 7.** RCW 50.12.190 and 1945 c 35 s 58 are each amended to read  
23 as follows:

24 (1) The commissioner shall take all appropriate steps to reduce and  
25 prevent unemployment; to encourage and assist in the adoption of  
26 practical methods of vocational training, retraining and vocational  
27 guidance; to investigate, recommend, advise, and assist in the  
28 establishment and operation by municipalities, counties, school  
29 districts, and the state, of reserves for public works to be used in  
30 times of business depression and unemployment; to promote the  
31 reemployment of unemployed workers throughout the state in every other  
32 way that may be feasible; and to these ends to carry and publish the  
33 results of investigations and research studies.

34 (2) The employment security department shall:

35 (a) Track numbers of dislocated workers and part-time workers in  
36 the state;

1       (b) Assess the number and causes of permanent mass layoffs and  
2 closures using a modified permanent mass layoff and plant closure data  
3 base that is presently funded by the federal government; and

4       (c) Supply the director of the department of community, trade, and  
5 economic development with data under (a) and (b) of this subsection,  
6 which will allow the state and local components of the business and job  
7 retention and expansion program to prioritize delivery of service to  
8 distressed, mature, and cyclical industries.

9       NEW SECTION. Sec. 8. (1) The sum of six hundred thousand dollars,  
10 or as much thereof as may be necessary, is appropriated for the fiscal  
11 year ending June 30, 2006, from the general fund--state to the  
12 department of community, trade, and economic development for the  
13 purposes of this act.

14       (2) The sum of six hundred thousand dollars, or as much thereof as  
15 may be necessary, is appropriated for the fiscal year ending June 30,  
16 2007, from the general fund--state to the department of community,  
17 trade, and economic development for the purposes of this act.

18       NEW SECTION. Sec. 9. Sections 1 through 6 of this act constitute  
19 a new chapter in Title 43 RCW.

--- END ---