

2SSB 6515 - H COMM AMD

By Committee on Community & Economic Development & Trade

NOT CONSIDERED 03/11/2010

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** A new section is added to chapter 43.330
4 RCW to read as follows:

5 (1) In 2009, the legislature changed the name of the department of
6 community, trade, and economic development to the department of
7 commerce and directed the agency to organize around a concise core
8 mission aligned with the state's economic development plan and around
9 jobs. In accordance with that legislation, chapter 565, Laws of 2009,
10 in November 2009 the department of commerce submitted a plan that
11 establishes a mission of growing and improving jobs in the state. The
12 plan also outlines agency priorities, efficiencies, and program
13 transfers that will help to advance the new mission.

14 (2) The purposes of this act are: (a) To implement portions of the
15 department of commerce plan by transferring certain programs from the
16 department of commerce to other state agencies whose missions are more
17 closely aligned with the core functions of those programs; (b) to
18 direct strategic initiatives and targeted actions focused on the
19 mission of growing and improving jobs; (c) to direct the department to
20 establish a separate division to contain community services and housing
21 programs, and to work with the legislature on future plans for these
22 programs; (d) to direct creation of a central point of access within
23 the department for small business and entrepreneurial assistance; and
24 (e) to direct development of a statewide clean energy strategy. This
25 act also directs additional efficiencies in state government, which
26 will better enable the department of commerce to focus on its new
27 mission.

28 (3) The legislature finds that the department of commerce has
29 conducted a credible process to identify the most critical economic
30 needs of our state. The legislature recognizes that to sustain a

1 world-class innovation economy on a foundation of strong communities
2 requires continuous improvement and focus on the fundamentals. The
3 legislature finds that the state's reputation as a center of
4 innovative, cutting edge research and development will form the
5 foundation of whole new markets, product categories, and industry
6 clusters. The legislature therefore affirms the department's mission,
7 to focus on growing and improving jobs, and supports the eight
8 priorities identified by the department in its 2009 report to the
9 legislature: (a) Improving the state's competitiveness; (b)
10 strengthening education and workforce training; (c) investing in
11 infrastructure; (d) increasing regulatory efficiency; (e) building
12 community capacity; (f) focusing on rural economic development; (g)
13 engaging with key industry sectors; and (h) helping small businesses
14 succeed.

15 (4)(a) The legislature recognizes that small businesses and
16 entrepreneurs are a foundation of the state's economy yet they
17 encounter many barriers to achieving long-term stability and growth.
18 Gaining access to capital, complying with complex government
19 regulations, and competing successfully for market opportunities are
20 among the challenges they face. The legislature finds that state
21 government must enhance its commitment to helping small businesses and
22 entrepreneurs thrive, including finding ways to integrate and
23 coordinate existing programs to make them more accessible and
24 effective. The legislature further finds that the mission of the
25 department of commerce to growing and improving jobs in Washington
26 makes it particularly well-suited to take a leadership role in these
27 efforts.

28 (b) The legislature therefore directs the department of commerce,
29 beginning in fiscal year 2011, to create a central point of access
30 within the department for small business and entrepreneurial
31 assistance, and in collaboration with other agencies and partners over
32 time, to (i) consolidate and expand small business financing services;
33 (ii) develop and implement regulatory assistance initiatives; and (iii)
34 institute innovative systems to connect small businesses and
35 entrepreneurs to a broad array of technical assistance resources at the
36 local, state, and federal levels.

37 (c) The department shall report to appropriate legislative

1 committees by December 1, 2010, on the milestones achieved and the
2 future actions planned to meet the priorities described in subsections
3 (3) and (4) of this section.

4 (5)(a) The legislature recognizes that there are many strong
5 community services and housing programs currently operating within the
6 department and serving our most vulnerable individuals, families, and
7 communities. The legislature finds that some of these programs can
8 readily be transferred beginning on July 1, 2010, to other mission-
9 aligned agencies in state government. However, the legislature finds
10 that to maintain the strength and credibility of the majority of the
11 department's community services and housing programs, it is necessary
12 to create a separate division for them within the department and to
13 develop a plan to establish a separate state government agency for them
14 in the future.

15 (b) The legislature directs the department of commerce to establish
16 a single division to contain community services and housing programs
17 that deliver essential services to individuals, families, and
18 communities. Services provided by the division shall include, but are
19 not limited to: (i) Homeless housing and assistance programs including
20 transitional housing, emergency shelter grants, independent youth
21 housing, housing assistance for persons with mental illness, and
22 housing opportunities for people with AIDS; (ii) affordable housing
23 development programs including the housing trust fund and low-income
24 home energy assistance; (iii) farm worker housing; (iv) crime victims'
25 advocacy and sexual assault services; (v) community mobilization
26 against substance abuse and violence; (vi) asset building for working
27 families; (vii) local and community projects including the building
28 communities fund, building for the arts, and youth recreational
29 facilities grants; (viii) dispute resolution centers; (ix) the
30 Washington families fund; (x) community services block grants; (xi)
31 community development block grants; (xii) child care facility fund;
32 (xiii) WorkFirst community jobs; (xiv) long-term care ombudsman; (xv)
33 state drug task forces; (xvi) justice assistance grants; (xvii)
34 children and families of incarcerated parents; and (xviii) the
35 Washington new Americans program.

36 (c) The economic development committees in the house of
37 representatives and the senate shall, in consultation with the governor
38 and the department: (i) Solicit information and advice from

1 representatives of community, social services, and housing
2 organizations at the local and state levels, including minority
3 communities, people with disabilities, and other vulnerable
4 populations; and (ii) develop a plan for consideration and action in
5 the 2011 legislative session to establish a separate state government
6 agency whose mission is focused on community services and housing.

7 (6) The department shall examine the functions and operations of
8 agricultural commodity commissions in the state and collaborate with
9 industry sector and cluster associations on legislation that would
10 enable industries to develop self-financing systems for addressing
11 industry-identified issues such as workforce training, international
12 marketing, quality improvement, and technology deployment. By December
13 1, 2010, the department shall report to the governor and the
14 legislature on its findings and proposed legislation.

15 **PART I**

16 **DEPARTMENT OF HEALTH--PUBLIC HEALTH**

17 **Sec. 101.** RCW 70.05.125 and 2009 c 479 s 48 are each amended to
18 read as follows:

19 (1) The county public health account is created in the state
20 treasury. Funds deposited in the county public health account shall be
21 distributed by the state treasurer to each local public health
22 jurisdiction based upon amounts certified to it by the department of
23 (~~community, trade, and economic development~~) health in consultation
24 with the Washington state association of counties. The account shall
25 include funds distributed under RCW 82.14.200(8) and such funds as are
26 appropriated to the account from the state general fund, the public
27 health services account under RCW 43.72.902, and such other funds as
28 the legislature may appropriate to it.

29 (2)(a) The (~~director~~) secretary of the department of (~~community,~~
30 ~~trade, and economic development~~) health shall certify the amounts to
31 be distributed to each local public health jurisdiction using 1995 as
32 the base year of actual city contributions to local public health.

33 (b) Only if funds are available and in an amount no greater than
34 available funds under RCW 82.14.200(8), the department of community,
35 trade, and economic development shall adjust the amount certified under
36 (a) of this subsection to compensate for any annexation of an area with

1 fifty thousand residents or more to any city as a result of a petition
2 during calendar year 1996 or 1997, or for any city that became newly
3 incorporated as a result of an election during calendar year 1994 or
4 1995. The amount to be adjusted shall be equal to the amount which
5 otherwise would have been lost to the health jurisdiction due to the
6 annexation or incorporation as calculated using the jurisdiction's 1995
7 funding formula.

8 (c) The county treasurer shall certify the actual 1995 city
9 contribution to the department. Funds in excess of the base shall be
10 distributed proportionately among the health jurisdictions based on
11 incorporated population figures as last determined by the office of
12 financial management.

13 (3) Moneys distributed under this section shall be expended
14 exclusively for local public health purposes.

15 NEW SECTION. **Sec. 102.** (1) All powers, duties, and functions of
16 the department of commerce pertaining to county public health
17 assistance are transferred to the department of health. All references
18 to the director or the department of commerce in the Revised Code of
19 Washington shall be construed to mean the secretary or the department
20 of health when referring to the functions transferred in this section.

21 (2)(a) All reports, documents, surveys, books, records, files,
22 papers, or written material in the possession of the department of
23 commerce pertaining to the powers, functions, and duties transferred
24 shall be delivered to the custody of the department of health. All
25 cabinets, furniture, office equipment, motor vehicles, and other
26 tangible property employed by the department of commerce in carrying
27 out the powers, functions, and duties transferred shall be made
28 available to the department of health. All funds, credits, or other
29 assets held in connection with the powers, functions, and duties
30 transferred shall be assigned to the department of health.

31 (b) Any appropriations made to the department of commerce for
32 carrying out the powers, functions, and duties transferred shall, on
33 the effective date of this section, be transferred and credited to the
34 department of health.

35 (c) Whenever any question arises as to the transfer of any
36 personnel, funds, books, documents, records, papers, files, equipment,
37 or other tangible property used or held in the exercise of the powers

1 and the performance of the duties and functions transferred, the
2 director of financial management shall make a determination as to the
3 proper allocation and certify the same to the state agencies concerned.

4 (3) All employees of the department of commerce engaged in
5 performing the powers, functions, and duties transferred are
6 transferred to the jurisdiction of the department of health. All
7 employees classified under chapter 41.06 RCW, the state civil service
8 law, are assigned to the department of health to perform their usual
9 duties upon the same terms as formerly, without any loss of rights,
10 subject to any action that may be appropriate thereafter in accordance
11 with the laws and rules governing state civil service.

12 (4) All rules and all pending business before the department of
13 commerce pertaining to the powers, functions, and duties transferred
14 shall be continued and acted upon by the department of health. All
15 existing contracts and obligations shall remain in full force and shall
16 be performed by the department of health.

17 (5) The transfer of the powers, duties, functions, and personnel of
18 the department of commerce shall not affect the validity of any act
19 performed before the effective date of this section.

20 (6) If apportionments of budgeted funds are required because of the
21 transfers directed by this section, the director of financial
22 management shall certify the apportionments to the agencies affected,
23 the state auditor, and the state treasurer. Each of these shall make
24 the appropriate transfer and adjustments in funds and appropriation
25 accounts and equipment records in accordance with the certification.

26 (7) All classified employees of the department of commerce assigned
27 to the department of health under this section whose positions are
28 within an existing bargaining unit description at the department of
29 health shall become a part of the existing bargaining unit at the
30 department of health and shall be considered an appropriate inclusion
31 or modification of the existing bargaining unit under the provisions of
32 chapter 41.80 RCW.

33 **PART II**

34 **DEPARTMENT OF HEALTH--DEVELOPMENTAL DISABILITIES**

35 **Sec. 201.** RCW 43.330.210 and 2009 c 565 s 11 are each amended to
36 read as follows:

1 The developmental disabilities endowment governing board is
2 established to design and administer the developmental disabilities
3 endowment. To the extent funds are appropriated for this purpose, the
4 ((director)) secretary of the department ((of commerce)) shall provide
5 staff and administrative support to the governing board.

6 (1) The governing board shall consist of seven members as follows:

7 (a) Three of the members, who shall be appointed by the governor,
8 shall be persons who have demonstrated expertise and leadership in
9 areas such as finance, actuarial science, management, business, or
10 public policy.

11 (b) Three members of the board, who shall be appointed by the
12 governor, shall be persons who have demonstrated expertise and
13 leadership in areas such as business, developmental disabilities
14 service design, management, or public policy, and shall be family
15 members of persons with developmental disabilities.

16 (c) The seventh member of the board, who shall serve as chair of
17 the board, shall be appointed by the remaining six members of the
18 board.

19 (2) Members of the board shall serve terms of four years and may be
20 appointed for successive terms of four years at the discretion of the
21 appointing authority. However, the governor may stagger the terms of
22 the initial six members of the board so that approximately one-fourth
23 of the members' terms expire each year.

24 (3) Members of the board shall be compensated for their service
25 under RCW 43.03.240 and shall be reimbursed for travel expenses as
26 provided in RCW 43.03.050 and 43.03.060.

27 (4) The board shall meet periodically as specified by the call of
28 the chair, or a majority of the board.

29 (5) Members of the governing board and the state investment board
30 shall not be considered an insurer of the funds or assets of the
31 endowment trust fund or the individual trust accounts. Neither of
32 these two boards or their members shall be liable for the action or
33 inaction of the other.

34 (6) Members of the governing board and the state investment board
35 are not liable to the state, to the fund, or to any other person as a
36 result of their activities as members, whether ministerial or
37 discretionary, except for willful dishonesty or intentional violations

1 of law. The department and the state investment board, respectively,
2 may purchase liability insurance for members.

3 **Sec. 202.** RCW 43.330.240 and 2009 c 565 s 12 are each amended to
4 read as follows:

5 The department (~~of commerce~~) shall adopt rules for the
6 implementation of policies established by the governing board in RCW
7 43.330.200 through 43.330.230 (as recodified by this act). Such rules
8 will be consistent with those statutes and chapter 34.05 RCW.

9 NEW SECTION. **Sec. 203.** The following sections are each recodified
10 as sections in chapter 43.70 RCW:

- 11 RCW 43.330.195
- 12 RCW 43.330.200
- 13 RCW 43.330.205
- 14 RCW 43.330.210
- 15 RCW 43.330.220
- 16 RCW 43.330.225
- 17 RCW 43.330.230
- 18 RCW 43.330.240

19 NEW SECTION. **Sec. 204.** (1) All powers, duties, and functions of
20 the department of commerce pertaining to the developmental disabilities
21 endowment are transferred to the department of health. All references
22 to the director or the department of commerce in the Revised Code of
23 Washington shall be construed to mean the secretary or the department
24 of health when referring to the functions transferred in this section.

25 (2)(a) All reports, documents, surveys, books, records, files,
26 papers, or written material in the possession of the department of
27 commerce pertaining to the powers, functions, and duties transferred
28 shall be delivered to the custody of the department of health. All
29 cabinets, furniture, office equipment, motor vehicles, and other
30 tangible property employed by the department of commerce in carrying
31 out the powers, functions, and duties transferred shall be made
32 available to the department of health. All funds, credits, or other
33 assets held in connection with the powers, functions, and duties
34 transferred shall be assigned to the department of health.

1 (b) Any appropriations made to the department of commerce for
2 carrying out the powers, functions, and duties transferred shall, on
3 the effective date of this section, be transferred and credited to the
4 department of health.

5 (c) Whenever any question arises as to the transfer of any
6 personnel, funds, books, documents, records, papers, files, equipment,
7 or other tangible property used or held in the exercise of the powers
8 and the performance of the duties and functions transferred, the
9 director of financial management shall make a determination as to the
10 proper allocation and certify the same to the state agencies concerned.

11 (3) All employees of the department of commerce engaged in
12 performing the powers, functions, and duties transferred are
13 transferred to the jurisdiction of the department of health. All
14 employees classified under chapter 41.06 RCW, the state civil service
15 law, are assigned to the department of health to perform their usual
16 duties upon the same terms as formerly, without any loss of rights,
17 subject to any action that may be appropriate thereafter in accordance
18 with the laws and rules governing state civil service.

19 (4) All rules and all pending business before the department of
20 commerce pertaining to the powers, functions, and duties transferred
21 shall be continued and acted upon by the department of health. All
22 existing contracts and obligations shall remain in full force and shall
23 be performed by the department of health.

24 (5) The transfer of the powers, duties, functions, and personnel of
25 the department of commerce shall not affect the validity of any act
26 performed before the effective date of this section.

27 (6) If apportionments of budgeted funds are required because of the
28 transfers directed by this section, the director of financial
29 management shall certify the apportionments to the agencies affected,
30 the state auditor, and the state treasurer. Each of these shall make
31 the appropriate transfer and adjustments in funds and appropriation
32 accounts and equipment records in accordance with the certification.

33 (7) All classified employees of the department of commerce assigned
34 to the department of health under this section whose positions are
35 within an existing bargaining unit description at the department of
36 health shall become a part of the existing bargaining unit at the
37 department of health and shall be considered an appropriate inclusion

1 or modification of the existing bargaining unit under the provisions of
2 chapter 41.80 RCW.

3 **PART III**
4 **BUILDING CODE COUNCIL**

5 **Sec. 301.** RCW 19.27.070 and 1995 c 399 s 8 are each amended to
6 read as follows:

7 There is hereby established a state building code council to be
8 appointed by the governor.

9 (1) The state building code council shall consist of fifteen
10 members, two of whom shall be county elected legislative body members
11 or elected executives and two of whom shall be city elected legislative
12 body members or mayors. One of the members shall be a local government
13 building code enforcement official and one of the members shall be a
14 local government fire service official. Of the remaining nine members,
15 one member shall represent general construction, specializing in
16 commercial and industrial building construction; one member shall
17 represent general construction, specializing in residential and
18 multifamily building construction; one member shall represent the
19 architectural design profession; one member shall represent the
20 structural engineering profession; one member shall represent the
21 mechanical engineering profession; one member shall represent the
22 construction building trades; one member shall represent manufacturers,
23 installers, or suppliers of building materials and components; one
24 member shall be a person with a physical disability and shall represent
25 the disability community; and one member shall represent the general
26 public. At least six of these fifteen members shall reside east of the
27 crest of the Cascade mountains. The council shall include: Two
28 members of the house of representatives appointed by the speaker of the
29 house, one from each caucus; two members of the senate appointed by the
30 president of the senate, one from each caucus; and an employee of the
31 electrical division of the department of labor and industries, as ex
32 officio, nonvoting members with all other privileges and rights of
33 membership. Terms of office shall be for three years. The council
34 shall elect a member to serve as chair of the council for one-year
35 terms of office. Any member who is appointed by virtue of being an
36 elected official or holding public employment shall be removed from the

1 council if he or she ceases being such an elected official or holding
2 such public employment. Before making any appointments to the building
3 code council, the governor shall seek nominations from recognized
4 organizations which represent the entities or interests listed in this
5 subsection. Members serving on the council on July 28, 1985, may
6 complete their terms of office. Any vacancy shall be filled by
7 alternating appointments from governmental and nongovernmental entities
8 or interests until the council is constituted as required by this
9 subsection.

10 (2) Members shall not be compensated but shall receive
11 reimbursement for travel expenses in accordance with RCW 43.03.050 and
12 43.03.060.

13 (3) The department of ((community, trade, and economic
14 development)) general administration shall provide administrative and
15 clerical assistance to the building code council.

16 **Sec. 302.** RCW 19.27.097 and 1995 c 399 s 9 are each amended to
17 read as follows:

18 (1) Each applicant for a building permit of a building
19 necessitating potable water shall provide evidence of an adequate water
20 supply for the intended use of the building. Evidence may be in the
21 form of a water right permit from the department of ecology, a letter
22 from an approved water purveyor stating the ability to provide water,
23 or another form sufficient to verify the existence of an adequate water
24 supply. In addition to other authorities, the county or city may
25 impose conditions on building permits requiring connection to an
26 existing public water system where the existing system is willing and
27 able to provide safe and reliable potable water to the applicant with
28 reasonable economy and efficiency. An application for a water right
29 shall not be sufficient proof of an adequate water supply.

30 (2) Within counties not required or not choosing to plan pursuant
31 to RCW 36.70A.040, the county and the state may mutually determine
32 those areas in the county in which the requirements of subsection (1)
33 of this section shall not apply. The departments of health and ecology
34 shall coordinate on the implementation of this section. Should the
35 county and the state fail to mutually determine those areas to be
36 designated pursuant to this subsection, the county may petition the

1 department of (~~community, trade, and economic development~~) general
2 administration to mediate or, if necessary, make the determination.

3 (3) Buildings that do not need potable water facilities are exempt
4 from the provisions of this section. The department of ecology, after
5 consultation with local governments, may adopt rules to implement this
6 section, which may recognize differences between high-growth and low-
7 growth counties.

8 **Sec. 303.** RCW 19.27.150 and 1995 c 399 s 10 are each amended to
9 read as follows:

10 Every month a copy of the United States department of commerce,
11 bureau of the census' "report of building or zoning permits issued and
12 local public construction" or equivalent report shall be transmitted by
13 the governing bodies of counties and cities to the department of
14 (~~community, trade, and economic development~~) general administration.

15 **Sec. 304.** RCW 19.27A.020 and 2009 c 423 s 4 are each amended to
16 read as follows:

17 (1) The state building code council shall adopt rules to be known
18 as the Washington state energy code as part of the state building code.

19 (2) The council shall follow the legislature's standards set forth
20 in this section to adopt rules to be known as the Washington state
21 energy code. The Washington state energy code shall be designed to:

22 (a) Construct increasingly energy efficient homes and buildings
23 that help achieve the broader goal of building zero fossil-fuel
24 greenhouse gas emission homes and buildings by the year 2031;

25 (b) Require new buildings to meet a certain level of energy
26 efficiency, but allow flexibility in building design, construction, and
27 heating equipment efficiencies within that framework; and

28 (c) Allow space heating equipment efficiency to offset or
29 substitute for building envelope thermal performance.

30 (3) The Washington state energy code shall take into account
31 regional climatic conditions. Climate zone 1 shall include all
32 counties not included in climate zone 2. Climate zone 2 includes:
33 Adams, Chelan, Douglas, Ferry, Grant, Kittitas, Lincoln, Okanogan, Pend
34 Oreille, Spokane, Stevens, and Whitman counties.

35 (4) The Washington state energy code for residential buildings

1 shall be the 2006 edition of the Washington state energy code, or as
2 amended by rule by the council.

3 (5) The minimum state energy code for new nonresidential buildings
4 shall be the Washington state energy code, 2006 edition, or as amended
5 by the council by rule.

6 (6)(a) Except as provided in (b) of this subsection, the Washington
7 state energy code for residential structures shall preempt the
8 residential energy code of each city, town, and county in the state of
9 Washington.

10 (b) The state energy code for residential structures does not
11 preempt a city, town, or county's energy code for residential
12 structures which exceeds the requirements of the state energy code and
13 which was adopted by the city, town, or county prior to March 1, 1990.
14 Such cities, towns, or counties may not subsequently amend their energy
15 code for residential structures to exceed the requirements adopted
16 prior to March 1, 1990.

17 (7) The state building code council shall consult with the
18 department of (~~community, trade, and economic development~~) general
19 administration as provided in RCW 34.05.310 prior to publication of
20 proposed rules. The director of the department of (~~community, trade,~~
21 ~~and economic development~~) general administration shall recommend to
22 the state building code council any changes necessary to conform the
23 proposed rules to the requirements of this section.

24 (8) The state building code council shall evaluate and consider
25 adoption of the international energy conservation code in Washington
26 state in place of the existing state energy code.

27 (9) The definitions in RCW 19.27A.140 apply throughout this
28 section.

29 **Sec. 305.** RCW 19.27A.140 and 2009 c 423 s 2 are each amended to
30 read as follows:

31 The definitions in this section apply to RCW 19.27A.130 through
32 19.27A.190 and 19.27A.020 unless the context clearly requires
33 otherwise.

34 (1) "Benchmark" means the energy used by a facility as recorded
35 monthly for at least one year and the facility characteristics
36 information inputs required for a portfolio manager.

1 (2) "Conditioned space" means conditioned space, as defined in the
2 Washington state energy code.

3 (3) "Consumer-owned utility" includes a municipal electric utility
4 formed under Title 35 RCW, a public utility district formed under Title
5 54 RCW, an irrigation district formed under chapter 87.03 RCW, a
6 cooperative formed under chapter 23.86 RCW, a mutual corporation or
7 association formed under chapter 24.06 RCW, a port district formed
8 under Title 53 RCW, or a water-sewer district formed under Title 57
9 RCW, that is engaged in the business of distributing electricity to one
10 or more retail electric customers in the state.

11 (4) "Cost-effectiveness" means that a project or resource is
12 forecast:

13 (a) To be reliable and available within the time it is needed; and

14 (b) To meet or reduce the power demand of the intended consumers at
15 an estimated incremental system cost no greater than that of the least-
16 cost similarly reliable and available alternative project or resource,
17 or any combination thereof.

18 (5) "Council" means the state building code council.

19 (6) (~~"Department" means the department of community, trade, and~~
20 ~~economic development.~~

21 ~~(7))~~ (7) "Embodied energy" means the total amount of fossil fuel
22 energy consumed to extract raw materials and to manufacture, assemble,
23 transport, and install the materials in a building and the life-cycle
24 cost benefits including the recyclability and energy efficiencies with
25 respect to building materials, taking into account the total sum of
26 current values for the costs of investment, capital, installation,
27 operating, maintenance, and replacement as estimated for the lifetime
28 of the product or project.

29 ~~((8))~~ (7) "Energy consumption data" means the monthly amount of
30 energy consumed by a customer as recorded by the applicable energy
31 meter for the most recent twelve-month period.

32 ~~((9))~~ (8) "Energy service company" has the same meaning as in RCW
33 43.19.670.

34 ~~((10))~~ (9) "General administration" means the department of
35 general administration.

36 ~~((11))~~ (10) "Greenhouse gas" and "greenhouse gases" includes
37 carbon dioxide, methane, nitrous oxide, hydrofluorocarbons,
38 perfluorocarbons, and sulfur hexafluoride.

1 ~~((+12+))~~ (11) "Investment grade energy audit" means an intensive
2 engineering analysis of energy efficiency and management measures for
3 the facility, net energy savings, and a cost-effectiveness
4 determination.

5 ~~((+13+))~~ (12) "Investor-owned utility" means a corporation owned by
6 investors that meets the definition of "corporation" as defined in RCW
7 80.04.010 and is engaged in distributing either electricity or natural
8 gas, or both, to more than one retail electric customer in the state.

9 ~~((+14+))~~ (13) "Major facility" means any publicly owned or leased
10 building, or a group of such buildings at a single site, having ten
11 thousand square feet or more of conditioned floor space.

12 ~~((+15+))~~ (14) "National energy performance rating" means the score
13 provided by the energy star program, to indicate the energy efficiency
14 performance of the building compared to similar buildings in that
15 climate as defined in the United States environmental protection agency
16 "ENERGY STAR® Performance Ratings Technical Methodology."

17 ~~((+16+))~~ (15) "Net zero energy use" means a building with net
18 energy consumption of zero over a typical year.

19 ~~((+17+))~~ (16) "Portfolio manager" means the United States
20 environmental protection agency's energy star portfolio manager or an
21 equivalent tool adopted by the department of general administration.

22 ~~((+18+))~~ (17) "Preliminary energy audit" means a quick evaluation
23 by an energy service company of the energy savings potential of a
24 building.

25 ~~((+19+))~~ (18) "Qualifying public agency" includes all state
26 agencies, colleges, and universities.

27 ~~((+20+))~~ (19) "Qualifying utility" means a consumer-owned or
28 investor-owned gas or electric utility that serves more than twenty-
29 five thousand customers in the state of Washington.

30 ~~((+21+))~~ (20) "Reporting public facility" means any of the
31 following:

32 (a) A building or structure, or a group of buildings or structures
33 at a single site, owned by a qualifying public agency, that exceed ten
34 thousand square feet of conditioned space;

35 (b) Buildings, structures, or spaces leased by a qualifying public
36 agency that exceeds ten thousand square feet of conditioned space,
37 where the qualifying public agency purchases energy directly from the
38 investor-owned or consumer-owned utility;

1 (c) A wastewater treatment facility owned by a qualifying public
2 agency; or

3 (d) Other facilities selected by the qualifying public agency.

4 ((+22)) (21) "State portfolio manager master account" means a
5 portfolio manager account established to provide a single shared
6 portfolio that includes reports for all the reporting public
7 facilities.

8 **Sec. 306.** RCW 19.27A.150 and 2009 c 423 s 3 are each amended to
9 read as follows:

10 (1) To the extent that funding is appropriated specifically for the
11 purposes of this section, the department of commerce shall develop and
12 implement a strategic plan for enhancing energy efficiency in and
13 reducing greenhouse gas emissions from homes, buildings, districts, and
14 neighborhoods. The strategic plan must be used to help direct the
15 future code increases in RCW 19.27A.020, with targets for new buildings
16 consistent with RCW 19.27A.160. The strategic plan will identify
17 barriers to achieving net zero energy use in homes and buildings and
18 identify how to overcome these barriers in future energy code updates
19 and through complementary policies.

20 (2) The department of commerce must complete and release the
21 strategic plan to the legislature and the council by December 31, 2010,
22 and update the plan every three years.

23 (3) The strategic plan must include recommendations to the council
24 on energy code upgrades. At a minimum, the strategic plan must:

25 (a) Consider development of aspirational codes separate from the
26 state energy code that contain economically and technically feasible
27 optional standards that could achieve higher energy efficiency for
28 those builders that elected to follow the aspirational codes in lieu of
29 or in addition to complying with the standards set forth in the state
30 energy code;

31 (b) Determine the appropriate methodology to measure achievement of
32 state energy code targets using the United States environmental
33 protection agency's target finder program or equivalent methodology;

34 (c) Address the need for enhanced code training and enforcement;

35 (d) Include state strategies to support research, demonstration,
36 and education programs designed to achieve a seventy percent reduction

1 in annual net energy consumption as specified in RCW 19.27A.160 and
2 enhance energy efficiency and on-site renewable energy production in
3 buildings;

4 (e) Recommend incentives, education, training programs and
5 certifications, particularly state-approved training or certification
6 programs, joint apprenticeship programs, or labor-management
7 partnership programs that train workers for energy-efficiency projects
8 to ensure proposed programs are designed to increase building
9 professionals' ability to design, construct, and operate buildings that
10 will meet the seventy percent reduction in annual net energy
11 consumption as specified in RCW 19.27A.160;

12 (f) Address barriers for utilities to serve net zero energy homes
13 and buildings and policies to overcome those barriers;

14 (g) Address the limits of a prescriptive code in achieving net zero
15 energy use homes and buildings and propose a transition to performance-
16 based codes;

17 (h) Identify financial mechanisms such as tax incentives, rebates,
18 and innovative financing to motivate energy consumers to take action to
19 increase energy efficiency and their use of on-site renewable energy.
20 Such incentives, rebates, or financing options may consider the role of
21 government programs as well as utility-sponsored programs;

22 (i) Address the adequacy of education and technical assistance,
23 including school curricula, technical training, and peer-to-peer
24 exchanges for professional and trade audiences;

25 (j) Develop strategies to develop and install district and
26 neighborhood-wide energy systems that help meet net zero energy use in
27 homes and buildings;

28 (k) Identify costs and benefits of energy efficiency measures on
29 residential and nonresidential construction; and

30 (l) Investigate methodologies and standards for the measurement of
31 the amount of embodied energy used in building materials.

32 (4) The department of commerce and the council shall convene a work
33 group with the affected parties to inform the initial development of
34 the strategic plan.

35 **Sec. 307.** RCW 19.27A.180 and 2009 c 423 s 7 are each amended to
36 read as follows:

37 By December 31, 2009, to the extent that funding is appropriated

1 specifically for the purposes of this section, the department of
2 commerce shall develop and recommend to the legislature a methodology
3 to determine an energy performance score for residential buildings and
4 an implementation strategy to use such information to improve the
5 energy efficiency of the state's existing housing supply. In
6 developing its strategy, the department of commerce shall seek input
7 from providers of residential energy audits, utilities, building
8 contractors, mixed use developers, the residential real estate
9 industry, and real estate listing and form providers.

10 NEW SECTION. Sec. 308. (1) All powers, duties, and functions of
11 the department of commerce pertaining to administrative and support
12 services for the state building code council are transferred to the
13 department of general administration. All references to the director
14 or the department of commerce in the Revised Code of Washington shall
15 be construed to mean the director or the department of general
16 administration when referring to the functions transferred in this
17 section. Policy and planning assistance functions performed by the
18 department of commerce remain with the department of commerce.

19 (2)(a) All reports, documents, surveys, books, records, files,
20 papers, or written material in the possession of the department of
21 commerce pertaining to the powers, functions, and duties transferred
22 shall be delivered to the custody of the department of general
23 administration. All cabinets, furniture, office equipment, motor
24 vehicles, and other tangible property employed by the department of
25 commerce in carrying out the powers, functions, and duties transferred
26 shall be made available to the department of general administration.
27 All funds, credits, or other assets held in connection with the powers,
28 functions, and duties transferred shall be assigned to the department
29 of general administration.

30 (b) Any appropriations made to the department of commerce for
31 carrying out the powers, functions, and duties transferred shall, on
32 the effective date of this section, be transferred and credited to the
33 department of general administration.

34 (c) Whenever any question arises as to the transfer of any
35 personnel, funds, books, documents, records, papers, files, equipment,
36 or other tangible property used or held in the exercise of the powers

1 and the performance of the duties and functions transferred, the
2 director of financial management shall make a determination as to the
3 proper allocation and certify the same to the state agencies concerned.

4 (3) All employees of the department of commerce engaged in
5 performing the powers, functions, and duties transferred are
6 transferred to the jurisdiction of the department of general
7 administration. All employees classified under chapter 41.06 RCW, the
8 state civil service law, are assigned to the department of general
9 administration to perform their usual duties upon the same terms as
10 formerly, without any loss of rights, subject to any action that may be
11 appropriate thereafter in accordance with the laws and rules governing
12 state civil service.

13 (4) All rules and all pending business before the department of
14 commerce pertaining to the powers, functions, and duties transferred
15 shall be continued and acted upon by the department of general
16 administration. All existing contracts and obligations shall remain in
17 full force and shall be performed by the department of general
18 administration.

19 (5) The transfer of the powers, duties, functions, and personnel of
20 the department of commerce shall not affect the validity of any act
21 performed before the effective date of this section.

22 (6) If apportionments of budgeted funds are required because of the
23 transfers directed by this section, the director of financial
24 management shall certify the apportionments to the agencies affected,
25 the state auditor, and the state treasurer. Each of these shall make
26 the appropriate transfer and adjustments in funds and appropriation
27 accounts and equipment records in accordance with the certification.

28 (7) All classified employees of the department of commerce assigned
29 to the department of general administration under this section whose
30 positions are within an existing bargaining unit description at the
31 department of general administration shall become a part of the
32 existing bargaining unit at the department of general administration
33 and shall be considered an appropriate inclusion or modification of the
34 existing bargaining unit under the provisions of chapter 41.80 RCW.

35 **PART IV**

36 **DEPARTMENT OF COMMERCE--ENERGY POLICY**

1 **Sec. 401.** RCW 43.21F.010 and 1975-'76 2nd ex.s. c 108 s 1 are each
2 amended to read as follows:

3 (1) The legislature finds that the state needs to implement a
4 comprehensive energy planning process that:

5 (a) Is based on unbiased analysis;

6 (b) Engages public agencies and stakeholders in a thoughtful,
7 deliberative process that creates a cohesive plan that earns sustained
8 support of the public and the organizations and institutions that will
9 ultimately be responsible for implementation and execution of the plan;
10 and

11 (c) Establishes policies and practices needed to ensure the
12 effective implementation of the strategy.

13 (2) The legislature further finds that energy drives the entire
14 modern economy from petroleum for vehicles to electricity to light
15 homes and power businesses. The legislature further finds that the
16 nation and the world have started the transition to a clean energy
17 economy, with significant improvements in energy efficiency and
18 investments in new clean and renewable energy resources and
19 technologies. The legislature further finds this transition may
20 increase energy costs and that these cost increases must be fair and
21 reasonable.

22 (3) The legislature finds and declares that it is the continuing
23 purpose of state government, consistent with other essential
24 considerations of state policy, to foster wise and efficient energy use
25 and to promote energy self-sufficiency through the use of indigenous
26 and renewable energy sources, consistent with the promotion of reliable
27 energy sources, the general welfare, and the protection of
28 environmental quality.

29 (4) The legislature further declares that a successful state energy
30 strategy shall be guided by the following three goals:

31 (a) Maintain competitive energy prices that are fair and reasonable
32 for consumers and businesses and support our state's continued economic
33 success;

34 (b) Increase competitiveness by fostering a clean energy economy
35 and jobs through business and workforce development; and

36 (c) Meet the state's obligations to reduce greenhouse gas
37 emissions.

1 **Sec. 402.** RCW 43.21F.025 and 2009 c 565 s 27 are each reenacted
2 and amended to read as follows:

3 (1) "Assistant director" means the assistant director of the
4 department of commerce responsible for energy policy activities;

5 (2) "Department" means the department of commerce;

6 (3) "Director" means the director of the department of commerce;

7 (4) "Distributor" means any person, private corporation,
8 partnership, individual proprietorship, utility, including investor-
9 owned utilities, municipal utility, public utility district, joint
10 operating agency, or cooperative, which engages in or is authorized to
11 engage in the activity of generating, transmitting, or distributing
12 energy in this state;

13 (5) "Energy" means petroleum or other liquid fuels; natural or
14 synthetic fuel gas; solid carbonaceous fuels; fissionable nuclear
15 material; electricity; solar radiation; geothermal resources;
16 hydropower; organic waste products; wind; tidal activity; any other
17 substance or process used to produce heat, light, or motion; or the
18 savings from nongeneration technologies, including conservation or
19 improved efficiency in the usage of any of the sources described in
20 this subsection;

21 (6) "Person" means an individual, partnership, joint venture,
22 private or public corporation, association, firm, public service
23 company, political subdivision, municipal corporation, government
24 agency, public utility district, joint operating agency, or any other
25 entity, public or private, however organized; and

26 (7) "State energy strategy" means the document (~~(and energy policy~~
27 ~~direction)) developed ((under section 1, chapter 201, Laws of 1991~~
28 ~~including any related appendices)) and updated by the department under~~

30 NEW SECTION. **Sec. 403.** A new section is added to chapter 43.21F
31 RCW to read as follows:

32 (1) The state shall use the following principles to guide
33 development and implementation of the state's energy strategy and to
34 meet the goals of RCW 43.21F.010:

35 (a) Pursue all cost-effective energy efficiency and conservation as
36 the state's preferred energy resource;

1 (b) Ensure that the state's energy system meets the health,
2 welfare, and economic needs of its citizens with particular emphasis on
3 meeting the needs of low-income and vulnerable populations;

4 (c) Maintain and enhance economic competitiveness by ensuring an
5 affordable and reliable supply of energy resources and by supporting
6 clean energy technology innovation, access to clean energy markets
7 worldwide, and clean energy business and workforce development;

8 (d) Reduce dependence on fossil fuel energy sources through
9 improved efficiency and development of cleaner energy sources, such as
10 bioenergy, low-carbon energy sources, and natural gas;

11 (e) Improve efficiency of transportation energy use through
12 advances in vehicle technology, increased system efficiencies,
13 development of electricity, biofuels, and other clean fuels, and
14 regional transportation planning to improve transportation choices;

15 (f) Meet the state's statutory climate change goals and targets and
16 other environmental requirements as the state develops and uses energy
17 resources;

18 (g) Build on the advantage provided by the state's clean regional
19 electrical grid by expanding and integrating additional carbon-free and
20 carbon-neutral renewable energy generation and improving the
21 transmission capacity serving the state;

22 (h) Make state government a model for energy efficiency, use of
23 clean and renewable energy, and greenhouse gas-neutral operations; and

24 (i) Maintain and enhance our state's existing energy
25 infrastructure.

26 (2) The department shall:

27 (a) During energy shortage emergencies, give priority in the
28 allocation of energy resources to maintaining the public health,
29 safety, and welfare of the state's citizens and industry in order to
30 minimize adverse impacts on their physical, social, and economic well-
31 being;

32 (b) Develop and disseminate impartial and objective energy
33 information and analysis, while taking full advantage of the
34 capabilities of the state's institutions of higher education, national
35 laboratory, and other organizations with relevant expertise and
36 analytical capabilities;

37 (c) Actively seek to maximize federal and other nonstate funding

1 and support to the state for energy efficiency, renewable energy,
2 emerging energy technologies, and other activities of benefit to the
3 state's overall energy future; and

4 (d) Monitor the actions of all agencies of the state for consistent
5 implementation of the state's energy policy including applicable
6 statutory policies and goals relating to energy supply and use.

7 **Sec. 404.** RCW 43.21F.090 and 1996 c 186 s 106 are each amended to
8 read as follows:

9 (1)(a) By December 1, 2010, the department ((shall review the state
10 energy strategy as developed under section 1, chapter 201, Laws of
11 1991, periodically with the guidance of an advisory committee. For
12 each review, an advisory committee shall be established with a
13 membership resembling as closely as possible the original energy
14 strategy advisory committee specified under section 1, chapter 201,
15 Laws of 1991. Upon completion of a public hearing regarding the
16 advisory committee's advice and recommendations for revisions to the
17 energy strategy, a written report shall be conveyed by the department
18 to the governor and the appropriate legislative committees. Any
19 advisory committee established under this section shall be dissolved
20 within three months after their written report is conveyed.)) of
21 commerce shall update and revise the state energy strategy and
22 implementation report with the guidance of an advisory committee formed
23 under subsection (4) of this section. By December 1, 2011, by December
24 1, 2014, and every four years thereafter, the department shall, with
25 the advisory committee's guidance, produce a fully updated state energy
26 strategy and implementation report.

27 (b) The 2010 state energy strategy update and each future update or
28 revision must be approved by the legislature by concurrent resolution
29 before the department may implement the strategy.

30 (2)(a) The strategy shall, to the maximum extent feasible, examine
31 the state's entire energy system.

32 (b) In producing and updating the energy strategy, the department
33 and advisory committee shall review related processes and documents
34 relevant to a state energy strategy, including but not limited to,
35 prior state energy strategies, the work of the clean energy leadership
36 council, the climate advisory and action teams, the evergreen jobs

1 committee, reports of state transportation planning commission,
2 economic development commission, and the northwest power and
3 conservation council.

4 (c) The strategy must build upon and be consistent with all
5 relevant and applicable statutorily authorized energy, environmental,
6 and other policies, goals, and programs.

7 (d) The strategy must identify administrative actions, regulatory
8 coordination, and recommendations for legislation that need to be
9 undertaken to ensure that the energy strategy is implemented and
10 operationally supported by all state agencies, regulatory bodies, and
11 other organizations responsible for implementation of energy policy in
12 the state.

13 (3)(a) In order to facilitate decision making by the department and
14 the advisory committee as provided in subsection (4) of this section,
15 the director of the department shall engage a group of scientific,
16 engineering, economic, and other experts in energy analysis.

17 (b) The group shall be comprised of representatives from the
18 following institutions:

19 (i) Research institutions of higher education;

20 (ii) Pacific northwest national laboratory;

21 (iii) Northwest power and conservation council; and

22 (iv) Other private, public, and nonprofit organizations that have
23 recognized expertise in engineering or economic analysis.

24 (c) This group shall:

25 (i) Identify near-term and long-term analytical needs and
26 capabilities necessary to develop a state energy strategy; and

27 (ii) Provide unbiased information about the state's and region's
28 energy portfolio, future energy needs, scenarios for growth, and
29 improved productivity.

30 (4)(a) In order to update the state energy strategy, the department
31 shall form an advisory committee. The director shall appoint the
32 advisory committee with a membership reflecting a balance of the
33 interests in energy generation, distribution, consumption, and economic
34 development including: Residential, commercial, industrial, and
35 agricultural users; electric and natural gas utilities or
36 organizations, both consumer-owned and investor-owned; liquid fuel and
37 natural gas industries; local governments; labor; civic and
38 environmental organizations; clean energy companies; energy research

1 and development organizations; economic development organizations; key
2 public agencies; and other interested stakeholders. The president of
3 the senate shall appoint one member from each of the two largest
4 caucuses of the senate and the speaker of the house of representatives
5 shall appoint one member from each of the two largest caucuses of the
6 house of representatives to serve as ex-officio members of the advisory
7 committee. The department shall work with stakeholders and other state
8 agencies to develop the strategy.

9 (b) Upon completion of a public hearing regarding the advisory
10 committee's advice and recommendations for revisions to the state
11 energy strategy, the department shall present a written report to the
12 governor and appropriate legislative committees which may include
13 specific actions that will be needed to implement the strategy. Any
14 advisory committee established under this section must be dissolved
15 within three months after the written report is conveyed.

16 (5) The department may periodically review and update the state
17 energy strategy, as necessary. The department shall engage an advisory
18 committee as required in this section when updating the strategy and
19 present any updates to the legislature for its approval.

20 (6) To assist in updates of the state energy strategy, the
21 department shall actively seek both in-kind and financial support for
22 this process from nonstate sources. In order to avoid competition
23 among Washington state agencies, the department of commerce shall
24 coordinate the search for such external support. The department shall
25 develop a work plan for updating the energy strategy that reflects the
26 levels of activities and deliverables commensurate with the level of
27 funding and in-kind support available from state and nonstate sources.

28 NEW SECTION. Sec. 405. RCW 43.21F.015 (State policy) and 1994 c
29 207 s 3 & 1981 c 295 s 1 are each repealed.

30 **PART V**

31 **CRIMINAL JUSTICE TRAINING COMMISSION--DRUG**

32 **PROSECUTION ASSISTANCE PROGRAM**

33 **Sec. 501.** RCW 36.27.100 and 1995 c 399 s 41 are each amended to
34 read as follows:

35 The legislature recognizes that, due to the magnitude or volume of

1 offenses in a given area of the state, there is a recurring need for
2 supplemental assistance in the prosecuting of drug and drug-related
3 offenses that can be directed to the area of the state with the
4 greatest need for short-term assistance. A statewide drug prosecution
5 assistance program is created within the (~~department of community,~~
6 ~~trade, and economic development~~) criminal justice training commission
7 to assist county prosecuting attorneys in the prosecution of drug and
8 drug-related offenses.

9 NEW SECTION. Sec. 502. (1) All powers, duties, and functions of
10 the department of commerce pertaining to the drug prosecution
11 assistance program are transferred to the criminal justice training
12 commission. All references to the director or the department of
13 commerce in the Revised Code of Washington shall be construed to mean
14 the director or the criminal justice training commission when referring
15 to the functions transferred in this section.

16 (2)(a) All reports, documents, surveys, books, records, files,
17 papers, or written material in the possession of the department of
18 commerce pertaining to the powers, functions, and duties transferred
19 shall be delivered to the custody of the criminal justice training
20 commission. All cabinets, furniture, office equipment, motor vehicles,
21 and other tangible property employed by the department of commerce in
22 carrying out the powers, functions, and duties transferred shall be
23 made available to the criminal justice training commission. All funds,
24 credits, or other assets held in connection with the powers, functions,
25 and duties transferred shall be assigned to the criminal justice
26 training commission.

27 (b) Any appropriations made to the department of commerce for
28 carrying out the powers, functions, and duties transferred shall, on
29 the effective date of this section, be transferred and credited to the
30 criminal justice training commission.

31 (c) Whenever any question arises as to the transfer of any
32 personnel, funds, books, documents, records, papers, files, equipment,
33 or other tangible property used or held in the exercise of the powers
34 and the performance of the duties and functions transferred, the
35 director of financial management shall make a determination as to the
36 proper allocation and certify the same to the state agencies concerned.

1 (3) All employees of the department of commerce engaged in
2 performing the powers, functions, and duties transferred are
3 transferred to the jurisdiction of the criminal justice training
4 commission. All employees classified under chapter 41.06 RCW, the
5 state civil service law, are assigned to the criminal justice training
6 commission to perform their usual duties upon the same terms as
7 formerly, without any loss of rights, subject to any action that may be
8 appropriate thereafter in accordance with the laws and rules governing
9 state civil service.

10 (4) All rules and all pending business before the department of
11 commerce pertaining to the powers, functions, and duties transferred
12 shall be continued and acted upon by the criminal justice training
13 commission. All existing contracts and obligations shall remain in
14 full force and shall be performed by the criminal justice training
15 commission.

16 (5) The transfer of the powers, duties, functions, and personnel of
17 the department of commerce shall not affect the validity of any act
18 performed before the effective date of this section.

19 (6) If apportionments of budgeted funds are required because of the
20 transfers directed by this section, the director of financial
21 management shall certify the apportionments to the agencies affected,
22 the state auditor, and the state treasurer. Each of these shall make
23 the appropriate transfer and adjustments in funds and appropriation
24 accounts and equipment records in accordance with the certification.

25 (7) All classified employees of the department of commerce assigned
26 to the criminal justice training commission under this section whose
27 positions are within an existing bargaining unit description at the
28 criminal justice training commission shall become a part of the
29 existing bargaining unit at the criminal justice training commission
30 and shall be considered an appropriate inclusion or modification of the
31 existing bargaining unit under the provisions of chapter 41.80 RCW.

32 **PART VI**

33 **WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION--ENERGY**

34 **Sec. 601.** RCW 80.50.030 and 2001 c 214 s 4 are each amended to
35 read as follows:

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

3 (2)(a) The chair of the council shall be appointed by the governor
4 with the advice and consent of the senate, shall have a vote on matters
5 before the council, shall serve for a term coextensive with the term of
6 the governor, and is removable for cause. The chair may designate a
7 member of the council to serve as acting chair in the event of the
8 chair's absence. The salary of the chair shall be determined under RCW
9 43.03.040. The chair is a "state employee" for the purposes of chapter
10 42.52 RCW. As applicable, when attending meetings of the council,
11 members may receive reimbursement for travel expenses in accordance
12 with RCW 43.03.050 and 43.03.060, and are eligible for compensation
13 under RCW 43.03.250.

14 (b) The chair or a designee shall execute all official documents,
15 contracts, and other materials on behalf of the council. The
16 Washington (~~state department of community, trade, and economic
17 development~~) utilities and transportation commission shall provide all
18 administrative and staff support for the council. The (~~director of
19 the department of community, trade, and economic development~~)
20 commission has supervisory authority over the staff of the council and
21 shall employ such personnel as are necessary to implement this chapter.
22 Not more than three such employees may be exempt from chapter 41.06
23 RCW. The council shall otherwise retain its independence in exercising
24 its powers, functions, and duties and its supervisory control over
25 nonadministrative staff support. Membership, powers, functions, and
26 duties of the Washington state utilities and transportation commission
27 and the council shall otherwise remain as provided by law.

28 (3)(a) The council shall consist of the directors, administrators,
29 or their designees, of the following departments, agencies,
30 commissions, and committees or their statutory successors:

31 (i) Department of ecology;

32 (ii) Department of fish and wildlife;

33 (iii) Department of (~~community, trade, and economic development~~)
34 commerce;

35 (iv) Utilities and transportation commission; and

36 (v) Department of natural resources.

37 (b) The directors, administrators, or their designees, of the
38 following departments, agencies, and commissions, or their statutory

1 successors, may participate as councilmembers at their own discretion
2 provided they elect to participate no later than sixty days after an
3 application is filed:

4 (i) Department of agriculture;

5 (ii) Department of health;

6 (iii) Military department; and

7 (iv) Department of transportation.

8 (c) Council membership is discretionary for agencies that choose to
9 participate under (b) of this subsection only for applications that are
10 filed with the council on or after May 8, 2001. For applications filed
11 before May 8, 2001, council membership is mandatory for those agencies
12 listed in (b) of this subsection.

13 (4) The appropriate county legislative authority of every county
14 wherein an application for a proposed site is filed shall appoint a
15 member or designee as a voting member to the council. The member or
16 designee so appointed shall sit with the council only at such times as
17 the council considers the proposed site for the county which he or she
18 represents, and such member or designee shall serve until there has
19 been a final acceptance or rejection of the proposed site.

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

27 (6) For any port district wherein an application for a proposed
28 port facility is filed subject to this chapter, the port district shall
29 appoint a member or designee as a nonvoting member to the council. The
30 member or designee so appointed shall sit with the council only at such
31 times as the council considers the proposed site for the port district
32 which he or she represents, and such member or designee shall serve
33 until there has been a final acceptance or rejection of the proposed
34 site. The provisions of this subsection shall not apply if the port
35 district is the applicant, either singly or in partnership or
36 association with any other person.

1 NEW SECTION. **Sec. 602.** (1) All administrative powers, duties, and
2 functions of the department of commerce pertaining to the energy
3 facility site evaluation council are transferred to the Washington
4 utilities and transportation commission. All references to the
5 director or the department of commerce in the Revised Code of
6 Washington shall be construed to mean the Washington utilities and
7 transportation commission when referring to the functions transferred
8 in this section.

9 (2)(a) All reports, documents, surveys, books, records, files,
10 papers, or written material in the possession of the department of
11 commerce pertaining to the powers, functions, and duties transferred
12 shall be delivered to the custody of the Washington utilities and
13 transportation commission. All cabinets, furniture, office equipment,
14 motor vehicles, and other tangible property employed by the department
15 of commerce in carrying out the powers, functions, and duties
16 transferred shall be made available to the Washington utilities and
17 transportation commission. All funds, credits, or other assets held in
18 connection with the powers, functions, and duties transferred shall be
19 assigned to the Washington utilities and transportation commission.

20 (b) Any appropriations made to the department of commerce for
21 carrying out the powers, functions, and duties transferred shall, on
22 the effective date of this section, be transferred and credited to the
23 Washington utilities and transportation commission.

24 (c) Whenever any question arises as to the transfer of any
25 personnel, funds, books, documents, records, papers, files, equipment,
26 or other tangible property used or held in the exercise of the powers
27 and the performance of the duties and functions transferred, the
28 director of financial management shall make a determination as to the
29 proper allocation and certify the same to the state agencies concerned.

30 (3) All employees of the department of commerce engaged in
31 performing the powers, functions, and duties transferred are
32 transferred to the jurisdiction of the Washington utilities and
33 transportation commission. All employees classified under chapter
34 41.06 RCW, the state civil service law, are assigned to the Washington
35 utilities and transportation commission to perform their usual duties
36 upon the same terms as formerly, without any loss of rights, subject to
37 any action that may be appropriate thereafter in accordance with the
38 laws and rules governing state civil service.

1 (4) All rules and all pending business before the department of
2 commerce pertaining to the powers, functions, and duties transferred
3 shall be continued and acted upon by the Washington utilities and
4 transportation commission. All existing contracts and obligations
5 shall remain in full force and shall be performed by the Washington
6 utilities and transportation commission.

7 (5) The transfer of the powers, duties, functions, and personnel of
8 the department of commerce shall not affect the validity of any act
9 performed before the effective date of this section.

10 (6) If apportionments of budgeted funds are required because of the
11 transfers directed by this section, the director of financial
12 management shall certify the apportionments to the agencies affected,
13 the state auditor, and the state treasurer. Each of these shall make
14 the appropriate transfer and adjustments in funds and appropriation
15 accounts and equipment records in accordance with the certification.

16 (7) All classified employees of the department of commerce assigned
17 to the Washington utilities and transportation commission under this
18 section whose positions are within an existing bargaining unit
19 description at the Washington utilities and transportation commission
20 shall become a part of the existing bargaining unit at the Washington
21 utilities and transportation commission and shall be considered an
22 appropriate inclusion or modification of the existing bargaining unit
23 under the provisions of chapter 41.80 RCW.

24 **PART VII**

25 **MUNICIPAL RESEARCH COUNCIL**

26 **Sec. 701.** RCW 43.110.030 and 2000 c 227 s 3 are each amended to
27 read as follows:

28 (1) The ((municipal research council)) department of commerce shall
29 contract for the provision of municipal research and services to
30 cities, towns, and counties. Contracts for municipal research and
31 services shall be made with state agencies, educational institutions,
32 or private consulting firms, that in the judgment of ((council
33 members)) the department are qualified to provide such research and
34 services. Contracts for staff support may be made with state agencies,
35 educational institutions, or private consulting firms that in the

1 judgment of the (~~council members~~) department are qualified to provide
2 such support.

3 (2) Municipal research and services shall consist of:

4 (~~(1)~~) (a) Studying and researching city, town, and county
5 government and issues relating to city, town, and county government;

6 (~~(2)~~) (b) Acquiring, preparing, and distributing publications
7 related to city, town, and county government and issues relating to
8 city, town, and county government;

9 (~~(3)~~) (c) Providing educational conferences relating to city,
10 town, and county government and issues relating to city, town, and
11 county government; and

12 (~~(4)~~) (d) Furnishing legal, technical, consultative, and field
13 services to cities, towns, and counties concerning planning, public
14 health, utility services, fire protection, law enforcement, public
15 works, and other issues relating to city, town, and county government.

16 (3) Requests for legal services by county officials shall be sent
17 to the office of the county prosecuting attorney. Responses by the
18 (~~municipal research council~~) department of commerce to county
19 requests for legal services shall be provided to the requesting
20 official and the county prosecuting attorney.

21 (4) The (~~activities, programs, and services of the municipal~~
22 ~~research council shall be carried on in cooperation~~) department of
23 commerce shall coordinate with the association of Washington cities and
24 the Washington state association of counties in carrying out the
25 activities in this section. Services to cities and towns shall be
26 based upon the moneys appropriated to the (~~municipal research~~
27 ~~council~~) department from the city and town research services account
28 under RCW 43.110.060. Services to counties shall be based upon the
29 moneys appropriated to the (~~municipal research council~~) department
30 from the county research services account under RCW 43.110.050.

31 **Sec. 702.** RCW 43.110.060 and 2002 c 38 s 4 are each amended to
32 read as follows:

33 The city and town research services account is created in the state
34 treasury. Moneys in the account shall consist of amounts transferred
35 under RCW 66.08.190(2) and any other transfers or appropriations to the
36 account. Moneys in the account may be spent only after an

1 appropriation. Expenditures from the account may be used only for city
2 and town research.

3 All unobligated moneys remaining in the account at the end of the
4 fiscal biennium shall be distributed by the treasurer to the
5 incorporated cities and towns of the state in the same manner as the
6 distribution under RCW 66.08.190(1)(b)(iii).

7 ~~((The treasurer may disburse amounts appropriated to the municipal
8 research council from the city and town research services account by
9 warrant or check to the contracting parties on invoices or vouchers
10 certified by the chair of the municipal research council or his or her
11 designee.))~~ Payments to public agencies may be made in advance of
12 actual work contracted for, at the discretion of the ~~((council))~~
13 department of commerce.

14 **Sec. 703.** RCW 43.110.080 and 2006 c 328 s 1 are each amended to
15 read as follows:

16 (1) The ~~((municipal research council))~~ department of commerce shall
17 contract for the provision of research and services to special purpose
18 districts. A contract shall be made with a state agency, educational
19 institution, or private consulting firm, that in the judgment of
20 ~~((council members))~~ the department is qualified to provide such
21 research and services.

22 (2) Research and services to special purpose districts shall
23 consist of:

24 (a) Studying and researching issues relating to special purpose
25 district government;

26 (b) Acquiring, preparing, and distributing publications related to
27 special purpose districts; and

28 (c) Furnishing legal, technical, consultative, and field services
29 to special purpose districts concerning issues relating to special
30 purpose district government.

31 (3) The ~~((activities, programs, and services of the municipal
32 research council to special purpose districts shall be carried on in
33 cooperation))~~ department of commerce shall coordinate with the
34 associations representing the various special purpose districts with
35 respect to carrying out the activities in this section. Services to
36 special purpose districts shall be based upon the moneys appropriated

1 to the ((~~municipal research council~~)) department of commerce from the
2 special purpose district research services account under RCW
3 43.110.090.

4 **Sec. 704.** RCW 43.15.020 and 2009 c 560 s 27 are each amended to
5 read as follows:

6 The lieutenant governor serves as president of the senate and is
7 responsible for making appointments to, and serving on, the committees
8 and boards as set forth in this section.

9 (1) The lieutenant governor serves on the following boards and
10 committees:

- 11 (a) Capitol furnishings preservation committee, RCW 27.48.040;
- 12 (b) Washington higher education facilities authority, RCW
13 28B.07.030;
- 14 (c) Productivity board, also known as the employee involvement and
15 recognition board, RCW 41.60.015;
- 16 (d) State finance committee, RCW 43.33.010;
- 17 (e) State capitol committee, RCW 43.34.010;
- 18 (f) Washington health care facilities authority, RCW 70.37.030;
- 19 (g) State medal of merit nominating committee, RCW 1.40.020;
- 20 (h) Medal of valor committee, RCW 1.60.020; and
- 21 (i) Association of Washington generals, RCW 43.15.030.

22 (2) The lieutenant governor, and when serving as president of the
23 senate, appoints members to the following boards and committees:

- 24 (a) Civil legal aid oversight committee, RCW 2.53.010;
- 25 (b) Office of public defense advisory committee, RCW 2.70.030;
- 26 (c) Washington state gambling commission, RCW 9.46.040;
- 27 (d) Sentencing guidelines commission, RCW 9.94A.860;
- 28 (e) State building code council, RCW 19.27.070;
- 29 (f) Women's history consortium board of advisors, RCW 27.34.365;
- 30 (g) Financial ((~~literacy~~)) education public-private partnership,
31 RCW 28A.300.450;
- 32 (h) Joint administrative rules review committee, RCW 34.05.610;
- 33 (i) Capital projects advisory review board, RCW 39.10.220;
- 34 (j) Select committee on pension policy, RCW 41.04.276;
- 35 (k) Legislative ethics board, RCW 42.52.310;
- 36 (l) Washington citizens' commission on salaries, RCW 43.03.305;
- 37 (m) Legislative oral history committee, RCW 44.04.325;

1 (n) State council on aging, RCW 43.20A.685;
2 (o) State investment board, RCW 43.33A.020;
3 (p) Capitol campus design advisory committee, RCW 43.34.080;
4 (q) Washington state arts commission, RCW 43.46.015;
5 (r) Information services board, RCW 43.105.032;
6 (s) K-20 educational network board, RCW 43.105.800;
7 (t) (~~Municipal research council, RCW 43.110.010;~~
8 ~~(u)~~) Council for children and families, RCW 43.121.020;
9 (~~(v)~~) (u) PNWER-Net working subgroup under chapter 43.147 RCW;
10 (~~(w)~~) (v) Community economic revitalization board, RCW
11 43.160.030;
12 (~~(x)~~) (w) Washington economic development finance authority, RCW
13 43.163.020;
14 (~~(y)~~) (x) Life sciences discovery fund authority, RCW 43.350.020;
15 (~~(z)~~) (y) Legislative children's oversight committee, RCW
16 44.04.220;
17 (~~(aa)~~) (z) Joint legislative audit and review committee, RCW
18 44.28.010;
19 (~~(bb)~~) (aa) Joint committee on energy supply and energy
20 conservation, RCW 44.39.015;
21 (~~(cc)~~) (bb) Legislative evaluation and accountability program
22 committee, RCW 44.48.010;
23 (~~(dd)~~) (cc) Agency council on coordinated transportation, RCW
24 47.06B.020;
25 (~~(ee)~~) (dd) Manufactured housing task force, RCW 59.22.090;
26 (~~(ff)~~) (ee) Washington horse racing commission, RCW 67.16.014;
27 (~~(gg)~~) (ff) Correctional industries board of directors, RCW
28 72.09.080;
29 (~~(hh)~~) (gg) Joint committee on veterans' and military affairs,
30 RCW 73.04.150;
31 (~~(ii)~~) (hh) Joint legislative committee on water supply during
32 drought, RCW 90.86.020;
33 (~~(jj)~~) (ii) Statute law committee, RCW 1.08.001; and
34 (~~(kk)~~) (jj) Joint legislative oversight committee on trade
35 policy, RCW 44.55.020.

36 **Sec. 705.** RCW 35.21.185 and 1995 c 21 s 1 are each amended to read
37 as follows:

1 (1) It is the purpose of this section to provide a means whereby
2 all cities and towns may obtain, through a single source, information
3 regarding ordinances of other cities and towns that may be of
4 assistance to them in enacting appropriate local legislation.

5 (2) For the purposes of this section, (a) "clerk" means the city or
6 town clerk or other person who is lawfully designated to perform the
7 recordkeeping function of that office, and (b) "~~((municipal research
8 council))~~ department" means the ~~((municipal research council created by
9 chapter 43.110 RCW))~~ department of commerce.

10 (3) The clerk of every city and town is directed to provide to the
11 ~~((municipal research council))~~ department or its designee, promptly
12 after adoption, a copy of each of its regulatory ordinances and such
13 other ordinances or kinds of ordinances as may be described in a list
14 or lists promulgated by the ~~((municipal research council))~~ department
15 or its designee from time to time, and may provide such copies without
16 charge. The ~~((municipal research council))~~ department may provide that
17 information to the entity with which it contracts for the provision of
18 municipal research and services, in order to provide a pool of
19 information for all cities and towns in the state of Washington.

20 (4) This section is intended to be directory and not mandatory.

21 **Sec. 706.** RCW 35.102.040 and 2006 c 301 s 7 are each amended to
22 read as follows:

23 (1)(a) The cities, working through the association of Washington
24 cities, shall form a model ordinance development committee made up of
25 a representative sampling of cities that as of July 27, 2003, impose a
26 business and occupation tax. This committee shall work through the
27 association of Washington cities to adopt a model ordinance on
28 municipal gross receipts business and occupation tax. The model
29 ordinance and subsequent amendments shall be adopted using a process
30 that includes opportunity for substantial input from business
31 stakeholders and other members of the public. Input shall be solicited
32 from statewide business associations and from local chambers of
33 commerce and downtown business associations in cities that levy a
34 business and occupation tax.

35 (b) The ~~((municipal research council))~~ department of commerce shall
36 contract to post the model ordinance on an internet web site and to
37 make paper copies available for inspection upon request. The

1 department of revenue and the department of licensing shall post copies
2 of or links to the model ordinance on their internet web sites.
3 Additionally, a city that imposes a business and occupation tax must
4 make copies of its ordinance available for inspection and copying as
5 provided in chapter 42.56 RCW.

6 (c) The definitions and tax classifications in the model ordinance
7 may not be amended more frequently than once every four years, however
8 the model ordinance may be amended at any time to comply with changes
9 in state law. Any amendment to a mandatory provision of the model
10 ordinance must be adopted with the same effective date by all cities.

11 (2) A city that imposes a business and occupation tax must adopt
12 the mandatory provisions of the model ordinance. The following
13 provisions are mandatory:

14 (a) A system of credits that meets the requirements of RCW
15 35.102.060 and a form for such use;

16 (b) A uniform, minimum small business tax threshold of at least the
17 equivalent of twenty thousand dollars in gross income annually. A city
18 may elect to deviate from this requirement by creating a higher
19 threshold or exemption but it shall not deviate lower than the level
20 required in this subsection. If a city has a small business threshold
21 or exemption in excess of that provided in this subsection as of
22 January 1, 2003, and chooses to deviate below the threshold or
23 exemption level that was in place as of January 1, 2003, the city must
24 notify all businesses licensed to do business within the city at least
25 one hundred twenty days prior to the potential implementation of a
26 lower threshold or exemption amount;

27 (c) Tax reporting frequencies that meet the requirements of RCW
28 35.102.070;

29 (d) Penalty and interest provisions that meet the requirements of
30 RCW 35.102.080 and 35.102.090;

31 (e) Claim periods that meet the requirements of RCW 35.102.100;

32 (f) Refund provisions that meet the requirements of RCW 35.102.110;
33 and

34 (g) Definitions, which at a minimum, must include the definitions
35 enumerated in RCW 35.102.030 and 35.102.120. The definitions in
36 chapter 82.04 RCW shall be used as the baseline for all definitions in
37 the model ordinance, and any deviation in the model ordinance from

1 these definitions must be described by a comment in the model
2 ordinance.

3 (3) Except for the deduction required by RCW 35.102.160 and the
4 system of credits developed to address multiple taxation under
5 subsection (2)(a) of this section, a city may adopt its own provisions
6 for tax exemptions, tax credits, and tax deductions.

7 (4) Any city that adopts an ordinance that deviates from the
8 nonmandatory provisions of the model ordinance shall make a description
9 of such differences available to the public, in written and electronic
10 form.

11 **Sec. 707.** RCW 36.70B.220 and 2005 c 274 s 272 are each amended to
12 read as follows:

13 (1) Each county and city having populations of ten thousand or more
14 that plan under RCW 36.70A.040 shall designate permit assistance staff
15 whose function it is to assist permit applicants. An existing employee
16 may be designated as the permit assistance staff.

17 (2) Permit assistance staff designated under this section shall:

18 (a) Make available to permit applicants all current local
19 government regulations and adopted policies that apply to the subject
20 application. The local government shall provide counter copies thereof
21 and, upon request, provide copies according to chapter 42.56 RCW. The
22 staff shall also publish and keep current one or more handouts
23 containing lists and explanations of all local government regulations
24 and adopted policies;

25 (b) Establish and make known to the public the means of obtaining
26 the handouts and related information; and

27 (c) Provide assistance regarding the application of the local
28 government's regulations in particular cases.

29 (3) Permit assistance staff designated under this section may
30 obtain technical assistance and support in the compilation and
31 production of the handouts under subsection (2) of this section from
32 the (~~municipal research council and the department of community,
33 trade, and economic development~~) department of commerce.

34 NEW SECTION. **Sec. 708.** The following acts or parts of acts are
35 each repealed:

1 (1) RCW 43.110.010 (Council created--Membership--Terms--Travel
2 expenses) and 2001 c 290 s 1, 1997 c 437 s 1, 1990 c 104 s 1, 1983 c 22
3 s 1, 1975-'76 2nd ex.s. c 34 s 129, 1975 1st ex.s. c 218 s 1, & 1969 c
4 108 s 2;

5 (2) RCW 43.110.040 (Local government regulation and policy
6 handouts--Technical assistance) and 1996 c 206 s 10; and

7 (3) RCW 43.110.070 (Hazardous liquid and gas pipeline--Model
8 ordinance and franchise agreement) and 2000 c 191 s 8.

9 NEW SECTION. **Sec. 709.** (1) The municipal research council is
10 hereby abolished and its powers, duties, and functions are hereby
11 transferred to the department of commerce. All references to the
12 municipal research council in the Revised Code of Washington shall be
13 construed to mean the department of commerce.

14 (2)(a) All reports, documents, surveys, books, records, files,
15 papers, or written material in the possession of the municipal research
16 council shall be delivered to the custody of the department of
17 commerce. All cabinets, furniture, office equipment, motor vehicles,
18 and other tangible property employed by the municipal research council
19 shall be made available to the department of commerce. All funds,
20 credits, or other assets held by the municipal research council shall
21 be assigned to the department of commerce.

22 (b) Any appropriations made to the municipal research council
23 shall, on the effective date of this section, be transferred and
24 credited to the department of commerce.

25 (c) If any question arises as to the transfer of any funds, books,
26 documents, records, papers, files, equipment, or other tangible
27 property used or held in the exercise of the powers and the performance
28 of the duties and functions transferred, the director of financial
29 management shall make a determination as to the proper allocation and
30 certify the same to the state agencies concerned.

31 (3) All rules and all pending business before the municipal
32 research council shall be continued and acted upon by the department of
33 commerce. All existing contracts and obligations shall remain in full
34 force and shall be performed by the department of commerce.

35 (4) The transfer of the powers, duties, and functions of the
36 municipal research council shall not affect the validity of any act
37 performed before the effective date of this section.

1 (5) If apportionments of budgeted funds are required because of the
2 transfers directed by this section, the director of financial
3 management shall certify the apportionments to the agencies affected,
4 the state auditor, and the state treasurer. Each of these shall make
5 the appropriate transfer and adjustments in funds and appropriation
6 accounts and equipment records in accordance with the certification.

7 **PART VIII**

8 **MISCELLANEOUS PROVISIONS**

9 **Sec. 801.** RCW 41.06.070 and 2009 c 33 s 36 and 2009 c 5 s 1 are
10 each reenacted and amended to read as follows:

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

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

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

21 (c) Officers, academic personnel, and employees of technical
22 colleges;

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

24 (e) Elective officers of the state;

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

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

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

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

35 (ii) If the members of the board, commission, or committee serve on
36 a part-time basis and there is a statutory executive officer: The

1 secretary of the board, commission, or committee; the chief executive
2 officer of the board, commission, or committee; and the confidential
3 secretary of the chief executive officer of the board, commission, or
4 committee;

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

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

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

15 (j) Assistant attorneys general;

16 (k) Commissioned and enlisted personnel in the military service of
17 the state;

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

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

23 (n) Officers and employees of the Washington state fruit
24 commission;

25 (o) Officers and employees of the Washington apple commission;

26 (p) Officers and employees of the Washington state dairy products
27 commission;

28 (q) Officers and employees of the Washington tree fruit research
29 commission;

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

31 (s) Officers and employees of the Washington grain commission;

32 (t) Officers and employees of any commission formed under chapter
33 15.66 RCW;

34 (u) Officers and employees of agricultural commissions formed under
35 chapter 15.65 RCW;

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

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

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

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

12 (z) A maximum of six staff employed by the department of
13 ((community, trade, and economic development)) commerce to administer
14 ((energy)) innovation and policy functions ((and manage)), including
15 the three principal policy assistants exempted under (1)(x) of this
16 subsection;

17 ((aa)) The manager of the energy site evaluation council ((activities
18 under RCW 43.21F.045(2)(m)))); and

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

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

25 (a) Members of the governing board of each institution of higher
26 education and related boards, all presidents, vice presidents, and
27 their confidential secretaries, administrative, and personal
28 assistants; deans, directors, and chairs; academic personnel; and
29 executive heads of major administrative or academic divisions employed
30 by institutions of higher education; principal assistants to executive
31 heads of major administrative or academic divisions; other managerial
32 or professional employees in an institution or related board having
33 substantial responsibility for directing or controlling program
34 operations and accountable for allocation of resources and program
35 results, or for the formulation of institutional policy, or for
36 carrying out personnel administration or labor relations functions,
37 legislative relations, public information, development, senior computer
38 systems and network programming, or internal audits and investigations;

1 and any employee of a community college district whose place of work is
2 one which is physically located outside the state of Washington and who
3 is employed pursuant to RCW 28B.50.092 and assigned to an educational
4 program operating outside of the state of Washington;

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

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

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

36 The salary and fringe benefits of all positions presently or
37 hereafter exempted except for the chief executive officer of each
38 agency, full-time members of boards and commissions, administrative

1 assistants and confidential secretaries in the immediate office of an
2 elected state official, and the personnel listed in subsections (1)(j)
3 through (v) and (y) and (2) of this section, shall be determined by the
4 director of personnel. Changes to the classification plan affecting
5 exempt salaries must meet the same provisions for classified salary
6 increases resulting from adjustments to the classification plan as
7 outlined in RCW 41.06.152.

8 For the twelve months following February 18, 2009, a salary or wage
9 increase shall not be granted to any position exempt from
10 classification under this chapter.

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

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

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

25 NEW SECTION. **Sec. 802.** RCW 43.63A.150 is decodified.

26 NEW SECTION. **Sec. 803.** This act takes effect July 1, 2010."

27 Correct the title.

EFFECT: (1) Directs the Department of Commerce to: Create a
central point of access for small business and entrepreneurial
assistance beginning in 2011 and in partnership with others over time
to expand small business financing, technical and regulatory
assistance; establish a separate division for community services and

housing programs, and identifies 18 programs to be included; and examine the agricultural commodity commission assessment model as a means for other industries to self-finance activities.

(2) Requires the Legislature's economic development committees, consulting with others, to develop a plan for consideration in 2011 to create a separate agency for community services and housing programs.

(3) Directs the transfer of five programs and activities currently within the Department of Commerce to other state agencies.

(4) Requires the Department, with guidance from an advisory committee representing balanced interests, to develop an updated state energy strategy and implementation report by December 1, 2010. Requires legislative approval by concurrent resolution prior to implementation. Provides guiding principles, scope, and parameters for developing and implementing the strategy. Requires the Department director to engage a group of scientific, engineering, and economic experts to provide specified energy information and analysis to facilitate decision making by the Department and advisory committee. Specifies subsequent strategy due dates and intervals.

(5) Places a cap on the number of staff administering innovation and policy functions who are exempted from civil service in the underlying bill.

--- END ---