

# SENATE BILL REPORT

## EHB 2242

---

---

As Reported by Senate Committee On:  
Economic Development, Trade & Innovation, March 30, 2009

**Title:** An act relating to creating a department of commerce.

**Brief Description:** Creating a department of commerce.

**Sponsors:** Representatives Kenney, Probst, Maxwell, Hunt, Lias, Ormsby, Kelley, Sullivan, Hasegawa, Quall, White and Chase; by request of Governor Gregoire.

**Brief History:** Passed House: 3/12/09, 96-1.

**Committee Activity:** Economic Development, Trade & Innovation: 3/18/09, 3/30/09 [DPA-WM].

---

### SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, TRADE & INNOVATION

**Majority Report:** Do pass as amended and be referred to Committee on Ways & Means.

Signed by Senators Kastama, Chair; Shin, Vice Chair; Zarelli, Ranking Minority Member; Delvin, Eide and Kilmer.

**Staff:** Jack Brummel (786-7428)

**Background:** The Department of Community, Trade and Economic Development (CTED) is an executive branch agency that was created in 1994 through the consolidation of the Department of Community Development and the Department of Trade and Economic Development. CTED is responsible for promoting community and economic development statewide by (1) assisting communities to increase their economic vitality and the quality of their citizen's lives; and (2) assisting the state's businesses to maintain and increase their economic competitiveness while maintaining a healthy environment.

**Summary of Bill (Recommended Amendments):** A Department of Commerce (department) is created. By November 1, 2009, the director is to develop recommendations for the Governor and appropriate legislative committees on statutory changes for effective operation of the department. This is to be done in collaboration with the Office of Financial Management, the Governor's Office, the Economic Development Commission and legislators. Input from a broad range of stakeholders is required.

---

*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

The Developmental Disabilities Council, The Office of Crime Victims Advocacy, Safe and Drug Free Communities programs, and the Long-Term Care Ombudsman Office are all moved from the department to Government and Community Relations within the Department of Social and Health Services. The Emergency Food Assistance Program is moved from the department to Emergency Programs within the Community Services Division of the Department of Social and Health Services. Re-Employment Support Centers are moved from the department to the Employment Security Department.

A number of statutory references to the "Department of Community, Trade, and Economic Development" are changed to the "Department of Commerce."

The Code Reviser is directed to prepare legislation for the 2010 session that changes all statutory references from the "Department of Community, Trade, and Economic Development" to the "Department of Commerce."

Various technical changes are made.

**EFFECT OF CHANGES MADE BY ECONOMIC DEVELOPMENT, TRADE & INNOVATION COMMITTEE (Recommended Amendments):** The Developmental Disabilities Council, The Office of Crime Victims Advocacy, Safe and Drug Free Communities programs, and the Long-Term Care Ombudsman Office are all moved from the department to Government and Community Relations within the Department of Social and Health Services. The Emergency Food Assistance Program is moved from the department to Emergency Programs within the Community Services Division of the Department of Social and Health Services. Re-Employment Support Centers are moved from the department to the Employment Security Department.

**Appropriation:** None.

**Fiscal Note:** Requested on March 17, 2009.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony on Engrossed House Bill:** PRO: CTED's work is made difficult by having too many programs unrelated to its core mission. The bill directs a look at a better way to do economic development in the state. Broad consultation is expected.

**Persons Testifying:** PRO: Rogers Weed, CTED; Marc Baldwin, Governor's Office.