

SENATE BILL REPORT

E2SHB 2658

As of February 17, 2010

Title: An act relating to refocusing the mission of the department of commerce, including transferring programs.

Brief Description: Refocusing the department of commerce, including transferring programs.

Sponsors: House Committee on Ways & Means (originally sponsored by Representatives Kenney, Maxwell, McCoy and Morrell; by request of Washington State Department of Commerce).

Brief History: Passed House: 2/13/10, 56-38.

Committee Activity: Economic Development, Trade & Innovation: 2/18/10.

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, TRADE & INNOVATION

Staff: Jack Brummel (786-7428)

Background: The Legislature changed the name of the Department of Community, Trade and Economic Development to the Department of Commerce (Department) in 2009 and directed the agency to collaborate with others and make a report with recommendations on statutory changes to ensure that the Department's efforts, among other things:

- organize around a concise core mission;
- align with the state's comprehensive plan for economic development;
- generate greater local capacity to respond to local opportunities and needs;
- maximize results through partnerships and the use of intermediaries; and
- provide increased accountability.

The report was also to include recommendations for creating, consolidating, transferring, or terminating programs based on the Department's core mission.

The Department submitted a report that set forth a mission of growing and improving jobs and outlined program transfers that help advance its mission.

Summary of Bill: The Legislature directs the Department to create a central point of access for small business and entrepreneurial assistance and, in collaboration with others, to:

- consolidate and expand small business financing services;
- develop and implement regulatory assistance initiatives; and

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- institute innovative systems to connect small businesses and entrepreneurs to technical assistance.

The Legislature directs the Department to establish a separate division to contain community services and housing programs. Eighteen specific services or programs are to be included in the division, but the division is not limited to those named.

The Legislature's economic development committees, in consultation with the Governor and the Department, must solicit stakeholder information and advice and develop for legislative consideration in 2011 a plan to establish a separate state government agency focused on community services and housing.

The County Public Health Assistance program and the Developmental Disabilities Endowment are transferred to the Department of Health.

The State Building Code Council is transferred to the Department of General Administration.

The Drug Prosecution Assistance Program is transferred to the Criminal Justice Training Commission.

The Energy Facility Site Evaluation Council is transferred to the Utilities and Transportation Commission (UTC).

The goals of the state's energy strategy are to:

- maintain competitive energy prices;
- increase competitiveness by fostering a clean energy economy and jobs; and
- meet the state's obligations to reduce greenhouse gas emissions.

Guiding principles to meet these goals are established and the Department is to produce an updated state energy strategy and implementation report by December 1, 2010, and every five years thereafter. The Legislature is to approve or recommend changes to the strategy, report, and updates by concurrent resolution. In updating the strategy, the Department is to work with an advisory committee and seek in-kind and financial support.

The Municipal Research Council is abolished and the Department is to assume its duties of contracting for municipal research and services to cities, towns, counties, and special purpose districts.

Appropriation: None.

Fiscal Note: Available. New fiscal note requested on February 15, 2010.

Committee/Commission/Task Force Created: No.

Effective Date: The bill takes effect on July 1, 2010.