
SUBSTITUTE HOUSE BILL 1131

State of Washington 61st Legislature 2009 Regular Session

By House Community & Economic Development & Trade (originally sponsored by Representatives Kenney, Pettigrew, Haler, Ericks, Bailey, Llias, Hasegawa, Hudgins, Darneille, Chase, Dunshee, Kelley, Sullivan, and Nelson)

READ FIRST TIME 02/17/09.

1 AN ACT Relating to the Washington state economic development
2 commission; amending RCW 43.162.010 and 43.162.020; and adding a new
3 section to chapter 43.162 RCW.

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

5 **Sec. 1.** RCW 43.162.010 and 2007 c 232 s 2 are each amended to read
6 as follows:

7 (1) The Washington state economic development commission is
8 established (~~to oversee the economic development strategies and~~
9 ~~policies of the department of community, trade, and economic~~
10 ~~development~~) as an agency of the state within the executive branch to
11 provide the governor and legislature with policy analysis, strategic
12 planning, program evaluation, and monitoring of the state's economic
13 development system.

14 (2)(a) The Washington state economic development commission shall
15 consist of eleven voting members appointed by the governor as follows:
16 Six representatives of the private sector, one representative of labor,
17 one representative of port districts, one representative of four-year
18 state public higher education, one representative for state community
19 or technical colleges, and one representative of associate development

1 organizations. The director of the department of community, trade, and
2 economic development, the director of the workforce training and
3 education coordinating board, the commissioner of the employment
4 security department, and the chairs and ranking minority members of the
5 standing committees of the house of representatives and the senate
6 overseeing economic development policies shall serve as nonvoting ex
7 officio members.

8 The chair of the commission shall be a voting member selected by
9 the governor with the consent of the senate, and shall serve at the
10 pleasure of the governor. In selecting the chair, the governor shall
11 seek a person who understands the future economic needs of the state
12 and nation and the role the state's economic development system has in
13 meeting those needs.

14 (b) In making the appointments, the governor shall consult with
15 organizations that have an interest in economic development, including,
16 but not limited to, industry associations, labor organizations,
17 minority business associations, economic development councils, chambers
18 of commerce, port associations, tribes, and the chairs of the
19 legislative committees with jurisdiction over economic development.

20 (c) The members shall be representative of the geographic regions
21 of the state, including eastern and central Washington, as well as
22 represent the ethnic diversity of the state. Private sector members
23 shall represent existing and emerging industries, small businesses,
24 women-owned businesses, and minority-owned businesses. Members of the
25 commission shall serve statewide interests while preserving their
26 diverse perspectives, and shall be recognized leaders in their fields
27 with demonstrated experience in economic development or disciplines
28 related to economic development.

29 (3) Members appointed by the governor shall serve at the pleasure
30 of the governor for not more than two consecutive three-year terms,
31 except that, as determined by the governor, the terms of four of the
32 appointees on the commission on the effective date of this section will
33 expire in 2010, the terms of four of the appointees on the commission
34 on the effective date of this section will expire in 2011, and the
35 terms of three of the appointees on the commission on the effective
36 date of this section will expire in 2012. Thereafter all terms shall
37 be for three years. Vacancies shall be filled in the same manner as
38 the original appointments.

1 (4) The commission may establish committees as it desires, and may
2 invite nonmembers of the commission to serve as committee members.

3 (5) The executive director of the commission shall be appointed by
4 the governor with the consent of the voting members of the commission.
5 The salary of the executive director shall be set by the governor with
6 the consent of the commission. The governor may dismiss the executive
7 director only with the approval of a majority vote of the commission.
8 The commission, by a majority vote, may dismiss the executive director
9 with the approval of the governor.

10 (6) The commission may adopt rules for its own governance.

11 (7) Members are eligible to receive reimbursement for travel
12 expenses incurred in the performance of their duties in accordance with
13 RCW 43.03.050 and 43.03.060.

14 (8) A majority of members currently appointed constitutes a quorum
15 for the purpose of conducting business.

16 **Sec. 2.** RCW 43.162.020 and 2007 c 232 s 4 are each amended to read
17 as follows:

18 (1) The Washington state economic development commission shall:

19 ~~((+1))~~ (a) Concentrate its major efforts on planning,
20 coordination, evaluation, policy analysis, and recommending
21 improvements to the state's economic development system using, but not
22 limited to, the "Next Washington" plan and the global competitiveness
23 council recommendations;

24 ~~((+2))~~ (b) Develop and maintain on a biennial basis a state
25 comprehensive plan for economic development, including but not limited
26 to goals, objectives, and priorities for the state economic development
27 system; identify the elements local associate development organizations
28 must include in their countywide economic development plans; and review
29 the state system for consistency with the state comprehensive plan. In
30 developing the state comprehensive plan for economic development, the
31 commission shall use, but may not be limited to: Economic, labor
32 market, and populations trend reports in office of financial management
33 forecasts; the annual state economic climate report prepared by the
34 economic climate council; joint office of financial management and
35 employment security department labor force, industry employment, and
36 occupational forecasts; the results of scientifically based outcome

1 evaluations; the needs of industry associations, industry clusters,
2 businesses, and employees as evidenced in formal surveys and other
3 input;

4 ~~((3))~~ (c) Establish and maintain an inventory of the programs of
5 the state economic development system and related state programs;
6 perform a biennial assessment of the ongoing and strategic economic
7 development needs of the state; and assess the extent to which the
8 economic development system and related programs represent a
9 consistent, coordinated, efficient, and integrated approach to meet
10 such needs; ~~((and~~

11 ~~(4))~~ (d) Produce a biennial report to the governor and the
12 legislature on progress by the commission in coordinating the state's
13 economic development system and meeting the other obligations of this
14 chapter, as well as include recommendations for any statutory changes
15 necessary to enhance operational efficiencies or improve coordination;

16 (e) Consult, collaborate, and coordinate with other state agencies
17 and local organizations when developing plans, inventories, and
18 assessments so as to avoid duplication of effort; and

19 (f) Have the authority to accept gifts, grants, donations,
20 sponsorships, or contributions from any federal, state, or local
21 governmental agency or program or any private source and expend the
22 same for any purpose consistent with the provisions of this chapter.

23 (2) The commission may delegate to the executive director any of
24 the functions of this section.

25 (3) The executive director must present a fiscal report to the
26 commission quarterly for its review and approval.

27 (4) To maintain its leadership and concentration on strategic
28 planning, coordination, and assessment of the economic development
29 system as a whole, the commission shall not take an administrative role
30 in the delivery of services.

31 NEW SECTION. Sec. 3. A new section is added to chapter 43.162 RCW
32 to read as follows:

33 (1) The Washington state economic development commission fund is
34 created in the state treasury. All receipts from gifts, grants,
35 donations, sponsorships, or contributions under RCW 43.162.020 must be
36 deposited into the account. Moneys in the account may be spent only
37 after appropriation. Expenditures from the account may be used by the

1 Washington state economic development commission only for purposes
2 related to carrying out the mission, roles, and responsibilities of the
3 commission.

4 (2) Whenever any money, from the federal government or from other
5 sources, that was not anticipated in the budget approved by the
6 legislature, has actually been received and is designated to be spent
7 for a specific purpose, the executive director shall use the
8 unanticipated receipts process as provided in RCW 43.79.270 to request
9 authority to spend the money.

10 (3) The commission shall use the small agency client services
11 within the office of financial management for accounting, budgeting,
12 and payroll services.

13 (4) The commission is subject to audits by the state auditor as
14 provided under chapter 43.09 RCW.

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