

CHAPTER 417

[Second Substitute House Bill No. 1476]
WASHINGTON MARKETPLACE PROGRAM

AN ACT Relating to the development of marketplace programs; adding new sections to chapter 43.31 RCW; and adding new sections to chapter 43.131 RCW.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds and declares that substantial benefits in increased employment and business activity can be obtained by assisting businesses in identifying opportunities to purchase the goods and services they need from in-state suppliers rather than from out-of-state suppliers. The replacement of out-of-state imports with services and manufactured goods produced in-state can be an important source of economic growth in a local community especially in rural areas. Businesses in the state are often unaware that goods and services they purchase from out-of-state suppliers are available from in-state firms with substantial advantages in responsiveness, service, and price. Increasing the economic partnerships between businesses in Washington state can build bridges between urban and rural communities and can result in the identification of additional opportunities for successful economic development initiatives. Providing additional information to businesses regarding in-state sources of goods and services can be a particularly valuable component of revitalization strategies in economically distressed areas. The legislature finds and declares that it is the policy of the state to strengthen the economies of local communities by increasing the economic partnerships between in-state businesses and creating programs to assist businesses in identifying in-state sources of goods and services, and in addition to identify new markets for Washington firms to provide goods and services.

NEW SECTION. Sec. 2. Unless the context clearly requires otherwise, the definitions in this section apply throughout this act:

(1) "Department" means the department of trade and economic development.

(2) "Center" means the business assistance center established under RCW 43.31.083.

(3) "Director" means the director of trade and economic development.

(4) "Local nonprofit organization" means a local nonprofit organization organized to provide economic development or community development services, including but not limited to associate development organizations, economic development councils, and community development corporations.

NEW SECTION. Sec. 3. There is established a Washington marketplace program within the business assistance center established under RCW 43.31.083. The program shall assist Washington businesses to competitively

meet their needs for goods and services within Washington by providing information relating to the replacement of imports or the fulfillment of new requirements with in-state products. The program shall place special emphasis on strengthening rural economies in economically distressed areas of the state as defined in RCW 82.60.020(3). The Washington marketplace program shall consult with the community revitalization team established pursuant to chapter 43.165 RCW.

NEW SECTION. Sec. 4. (1) The department shall contract with local nonprofit organizations in at least four economically distressed areas of the state, as defined in RCW 82.60.020(3), to implement the Washington marketplace program in these areas. The department, in order to foster cooperation and linkages between distressed and nondistressed areas and urban and rural areas, may enter into joint contracts with multiple nonprofit organizations. Each joint contract must include at least one nonprofit organization that is located in a distressed area. No joint contract may include more than one nonprofit organization located in an urban location. In contracting with local nonprofit organizations, the department shall:

(a) Award contracts based on a competitive bidding process, pursuant to chapter 43.19 RCW;

(b) Give preference to nonprofit organizations representing a broad spectrum of community support; and

(c) Ensure that each location contain sufficient business activity to permit effective program operation and contribute at least twenty percent local funding.

(2) The contracts with local nonprofit organizations shall be for the performance of the following services for the Washington marketplace program:

(a) Contacting Washington businesses to identify goods and services they are currently buying or are planning in the future to buy out-of-state and determine which of these goods and services could be purchased on competitive terms within the state;

(b) Identifying locally sold goods and services which are currently provided by out-of-state businesses;

(c) Determining, in consultation with local business, goods and services for which the business is willing to make contract agreements;

(d) Advertising market opportunities described in (c) of this subsection; and

(e) Receiving bid responses from potential suppliers and sending them to that business for final selection.

(3) Contracts may include provisions for charging service fees of businesses that profit as a result of participation in the program.

(4) The center shall also perform the following activities in order to promote the goals of the program:

- (a) Prepare promotional materials or conduct seminars to inform communities and organizations about the Washington marketplace program;
- (b) Provide technical assistance to communities and organizations interested in developing an import replacement program;
- (c) Develop standardized procedures for operating the local component of the Washington marketplace program;
- (d) Provide continuing management and technical assistance to local contractors; and
- (e) Report by December 31 of each year to the senate economic development and labor committee and to the house of representatives trade and economic development committee describing the activities of the Washington marketplace program.

***NEW SECTION. Sec. 5. (1) "Capital project" means a major urban or rural economic development project including, but not limited to, highways, ports, public facilities, power plants, irrigation systems, resorts, and sewage systems.**

(2) "Consortium" means a partnership, copartnership, joint venture, joint stock company, business trust, corporation, association, or any group of businesses acting as a unit for the purpose of securing a capital project.

***Sec. 5 was vetoed, see message at end of chapter.**

***NEW SECTION. Sec. 6. There is established, as a project within the department of trade and economic development, the office of capital projects. The office shall:**

(1) Assist Washington state businesses in obtaining international and domestic capital projects;

(2) Assist Washington state businesses in the formation of consortiums, when appropriate, which have the range of services and technical skills to compete for capital projects. Consortiums shall include at least one business with its principal place of business within Washington state.

(3) Assist consortiums and businesses in Washington state to market their services and products in international markets;

(4) Compile information on capital project opportunities for Washington state businesses including:

(a) Identifying those types of Washington businesses with the type and level of expertise to participate in various capital projects; and

(b) Identifying the type of capital projects and international markets which have the greatest potential for Washington state businesses to provide products and services;

(5) Provide information to Washington state businesses on the purpose and services of the office of capital projects;

(6) Provide initial assistance to consortiums in securing capital project contracts, including such intergovernmental contacts as considered appropriate with countries or regions where capital projects are proposed; and

(7) Provide information to businesses on trade tariffs, quotas, government regulations or other trade restrictions which may affect Washington state businesses.

*Sec. 6 was vetoed, see message at end of chapter.

***NEW SECTION. Sec. 7. The department, through the office of capital projects:**

(1) May receive funds, coordinate with other governmental agencies, and carry out such other duties as are deemed necessary to implement the provisions of section 6 of this act;

(2) May receive such gifts, grants, and endowments from private or public sources as may be made available in trust or otherwise for the use and benefit of the office of capital projects, and expend the same, or any income therefrom, according to the terms of gifts, grants, or endowments;

(3) May charge reasonable fees or other appropriate charges for using the services of the office of capital projects, for attendance at workshops and conferences sponsored by the office, and for various publications, materials, and services of the office. These fees shall be charged to defray the costs of operation of the office of capital projects; and

(4) May actively seek cooperation and funding from the private sector.

*Sec. 7 was vetoed, see message at end of chapter.

***NEW SECTION. Sec. 8. Contracts entered into by consortiums do not constitute a contract with the state of Washington, and do not incur a liability, obligation, pledge of faith, or credit of the state of Washington.**

*Sec. 8 was vetoed, see message at end of chapter.

***NEW SECTION. Sec. 9. The office of capital projects is prohibited from entering into any legal or otherwise binding contract with foreign governmental units or consortiums in relation to a capital project.**

*Sec. 9 was vetoed, see message at end of chapter.

***NEW SECTION. Sec. 10. The legislative budget committee shall, by January 1, 1992, conduct analyses of the operations of the capitol projects program. The analyses shall provide information on any costs to the state resulting from the operation of the program as well as any employment growth, firm growth, and increased revenue attributable directly or indirectly to the program.**

The analysis shall include a review of: The number of firms assisted; the dollar amount and type of assistance provided to each firm; the types of businesses assisted as classified by the standard industrial classification manual; the size and the age of each firm assisted; the number of minority and women-owned businesses assisted; the number of assisted firms in distressed areas of the state; the number of jobs created or retained in each firm as a result of the programs assistance; the wage rates of jobs retained or new jobs created as a result of the program; the results of client satisfaction surveys

completed by firms assisted by the program; and sales volume trends for each firm assisted by the program.

*Sec. 10 was vetoed, see message at end of chapter.

***NEW SECTION.** *Sec. 11. The department of trade and economic development shall actively promote and support the efforts of the office of capital projects to achieve the goals of section 6 of this act.*

*Sec. 11 was vetoed, see message at end of chapter.

***NEW SECTION.** *Sec. 12. Sections 1 through 11 of this act are each added to chapter 43.31 RCW.*

*Sec. 12 was vetoed, see message at end of chapter.

***NEW SECTION.** *Sec. 13. A new section is added to chapter 43.131 RCW to read as follows:*

The office of capital projects and its powers and duties shall be terminated on June 30, 1994, as provided in section 14 of this act.

*Sec. 13 was vetoed, see message at end of chapter.

***NEW SECTION.** *Sec. 14. A new section is added to chapter 43.131 RCW to read as follows:*

The following acts or parts of acts, as now existing or hereafter amended, are each repealed, effective June 30, 1995:

- (1) Section 5 of this act and RCW 43.31.---*;
- (2) Section 6 of this act and RCW 43.31.---*;
- (3) Section 7 of this act and RCW 43.31.---*;
- (4) Section 8 of this act and RCW 43.31.---*;
- (5) Section 9 of this act and RCW 43.31.---; and*
- (6) Section 10 of this act and RCW 43.31.---*

*Sec. 14 was vetoed, see message at end of chapter.

NEW SECTION. *Sec. 15. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.*

Passed the House April 22, 1989.

Passed the Senate April 22, 1989.

Approved by the Governor May 13, 1989, with the exception of certain items which were vetoed.

Filed in Office of Secretary of State May 13, 1989.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to sections 5, 6, 7, 8, 9, 10, 11, 12, 13, and 14, Second Substitute House Bill No. 1476 entitled:

"AN ACT Relating to the development of marketplace programs."

This legislation establishes both the Washington Marketplace Program and the Office of Capital Projects in the Department of Trade and Economic Development. Sections 1 through 4 codify the successful pilot Washington Marketplace Program currently operated by the department. Through this program the department will

work with organizations in communities to help local businesses find new markets for their products.

The provisions of sections 5 through 14 would establish the Office of Capital Projects in the department to assist businesses in the state to increase their participation in large capital construction projects. This office would assist firms in the formation of business consortia to compete for large-scale capital projects.

The concept that the state should increase its role in assisting state firms to compete more effectively in international markets is an important one. New efforts by the federal government and by the international community to open international markets for capital construction projects may well provide additional opportunities for state firms. There may well be a useful role to be played by the state in assisting firms to respond to new opportunities in these markets. However, the lack of any funds to support this new function leads me to veto sections 5 through 14.

With the exception of sections 5, 6, 7, 8, 9, 10, 11, 12, 13 and 14, Second Substitute House Bill No. 1476 is approved.*

CHAPTER 418

[Senate Bill No. 5926]

HANFORD LOW-LEVEL RADIOACTIVE WASTE DISPOSAL FACILITY— DEPARTMENT OF ECOLOGY DUTIES

AN ACT Relating to low-level radioactive waste; amending RCW 43.200.080; adding a new section to chapter 43.145 RCW; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

****NEW SECTION, Sec. 1. The legislature finds that the possibility exists for a drastic reduction in the volume of low-level radioactive waste disposed at Hanford in several years if waste from outside the region is denied access to the facility. The legislature further finds that the state has received millions of dollars of revenue generated by the waste site, funds which are annually deposited in the state general fund and other state accounts, and that proper analysis of the impacts of a loss of these funds has not been conducted, leaving the state in a potentially vulnerable position.***

*Sec. 1 was vetoed, see message at end of chapter.

Sec. 2. Section 8, chapter 19, Laws of 1983 1st ex. sess. as amended by section 1, chapter 2, Laws of 1986 and RCW 43.200.080 are each amended to read as follows:

The director of ecology shall, in addition to the powers and duties otherwise imposed by law, have the following special powers and duties:

(1) To fulfill the responsibilities of the state under the lease between the state of Washington and the federal government executed September 10, 1964, covering one thousand acres of land lying within the Hanford reservation near Richland, Washington. The department of ecology may sublease to private or public entities all or a portion of the land for specific purposes or activities which are determined, after public hearing, to be in