

(6) "Occupation" means any occupation, service, trade, business, industry, or branch or group of industries or employment or class of employment in which employees are gainfully employed.

NEW SECTION. Sec. 2. There is added to chapter 49.46 RCW a new section to read as follows:

When an individual volunteers his or her labor to a state or local governmental body or agency and receives pursuant to a statute or policy or an ordinance or resolution adopted by or applicable to the state or local governmental body or agency reimbursement in lieu of compensation at a nominal rate for normally incurred expenses or receives a nominal amount of compensation per unit of voluntary service rendered such reimbursement or compensation shall not be deemed a salary for the rendering of services or for purposes of granting, affecting or adding to any qualification, entitlement or benefit rights under any state, local government or publicly supported retirement system other than that provided under RCW 41.24.

NEW SECTION. Sec. 3. This 1977 amendatory act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect immediately.

Passed the House May 13, 1977.

Passed the Senate May 12, 1977.

Approved by the Governor May 24, 1977.

Filed in Office of Secretary of State May 24, 1977.

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## CHAPTER 70

[Substitute House Bill No. 27]  
OFFICE OF SMALL BUSINESS

AN ACT Relating to small businesses; amending section 43.31.040, chapter 8, Laws of 1965 as last amended by section 2, chapter 221, Laws of 1967 and RCW 43.31.040; adding new sections to chapter 43.31 RCW; making an appropriation; and declaring an emergency.

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

NEW SECTION. Section 1. There is added to chapter 43.31 RCW a new section to read as follows:

The legislature finds that the small businesses in the state of Washington are essential to the well-being of the state's economy and that these businesses have unique needs and problems that must be dealt with to insure a healthy economy for all of the citizens of the state. The legislature further understands that small businesses represent a majority of the businesses in this state and that it is very important that these small businesses be conserved as they provide jobs for nearly one-half of Washington's workers, insure essential economic competition, and broaden the industrial base of Washington industries.

NEW SECTION. Sec. 2. There is added to chapter 43.31 RCW a new section to read as follows:

Unless the context clearly requires otherwise the definitions in this section shall apply throughout sections 1 through 5 of this 1977 amendatory act.

(1) "Small business" means a corporation, partnership, sole proprietorship, or other legal entity formed for the purpose of making a profit, which is independently owned and operated from all other businesses and which has fifty or fewer employees.

(2) "Department" means department of commerce and economic development.

(3) "Office" means the office of small business within the small business division of the department of commerce and economic development.

**NEW SECTION.** Sec. 3. There is added to chapter 43.31 RCW a new section to read as follows:

The department through its office of small business shall:

(1) Provide a focal point and assist small businesses in their dealings with federal, state, and local governments, including but not limited to providing ready access to information regarding government requirements which affect small businesses;

(2) Develop programs which will assist or otherwise encourage professional or business associations and other service organizations in the public sector to provide useful and needed services to small businesses;

(3) Arrange for and hold meetings, in cooperation with public schools, community colleges, colleges, universities, and other public and private educational programs to the extent practicable, which provide worthwhile training and dissemination of information beneficial to the state's small businesses;

(4) Assist small businesses in obtaining available technical and financial assistance and counsel;

(5) Coordinate with all other state agencies to foster participation of small businesses in providing services and materials to state agencies as follows:

(a) Provide a guide to businesses on the purchasing procedures and practices of state agencies, including a list of state employees responsible for such state purchases. The guide shall be updated at least every two years;

(b) Assist the state agencies in developing master bid lists which include small businesses;

(c) Secure information from all state agencies as to the size of businesses supplying goods and services to each state agency; and

(d) Assist each state agency so that a larger percentage of the goods and services purchased by each state agency can be supplied by small businesses; and

(6) Conduct research in the following areas:

(a) Identify business associations which represent small businesses and maintain an up to date list of such associations;

(b) Develop methods and practices to encourage prime contractors to let subcontracts to small businesses;

(c) Research methods to utilize small businesses for developing economically depressed areas or providing jobs for unemployed persons;

(d) Develop programs to be utilized by all state agencies to encourage the development of small businesses. The office shall coordinate these programs with the political subdivisions of the state; and

(e) Coordinate the office's activities with the federal small business administration, the small business committees of the two houses of the United States congress,

and all other state or federal agencies formed for the purpose of aiding small businesses.

NEW SECTION. Sec. 4. There is added to chapter 43.31 RCW a new section to read as follows:

Beginning with the forty-sixth regular legislative session in 1979, the office of small business shall provide a report every biennium not later than the first day of each regular legislative session to the standing commerce committee or the appropriate committee in both legislative houses as to the state of small businesses in this state. The report shall include, but not be limited to, the volume, type, size, and location of business being done by small businesses for goods and services furnished to state agencies.

NEW SECTION. Sec. 5. There is added to chapter 43.31 RCW a new section to read as follows:

Sections 1 through 5 of this 1977 amendatory act shall be subject to review by the standing commerce committee or the appropriate standing committee in both legislative houses in the 1981 regular session of the legislature. Each standing committee shall vote to recommend to continue or repeal sections 1 through 5 of this 1977 amendatory act at that time.

Sec. 6. Section 43.31.040, chapter 8, Laws of 1965 as last amended by section 2, chapter 221, Laws of 1967 and RCW 43.31.040 are each amended to read as follows:

The department of commerce and economic development shall be organized into divisions, including (1) the industrial development division, (2) the tourist promotion division, (3) the research division, (4) the nuclear energy development division, to be known as the "office of nuclear energy development," (5) the foreign trade division, to be known as the "office of foreign trade," (6) the small business division, to be known as the "office of small business," and others as required.

The director of commerce and economic development may appoint such division supervisors, managers, or executive directors, and clerical supervisors and other assistants as may be necessary for the general administration of the department.

NEW SECTION. Sec. 7. If any provision of this 1977 amendatory 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.

NEW SECTION. Sec. 8. The sum of ninety-nine thousand eight hundred dollars, or as much thereof as may be necessary, is hereby appropriated from the general fund to the department of commerce and economic development for the purpose of administering this 1977 amendatory act.

NEW SECTION. Sec. 9. This 1977 amendatory act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect immediately.

Passed the House May 13, 1977.

Passed the Senate May 12, 1977.

Approved by the Governor May 24, 1977.

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