

HB 2658: Reorganizing Department of Commerce Activities

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Background

In early 2009, the State Legislature passed EHB 2242, changing the Department of Community, Trade and Economic Development to the Department of Commerce. In July 2009, during the official name change ceremony, the Governor stressed that the new Department of Commerce would focus on ensuring a “successful business environment that provides good, family-wage jobs,” and that “We will continue to focus on keeping the companies and jobs we have, and bringing new business to our state.”

Similarly, new Commerce director Rogers Weed said about the new department's mission, “Our vision is for the Department of Commerce to be the widely recognized business champion in state government and a respected leader and partner with the private sector in growing our state's economy for the benefit of all of our citizens.”

During the reorganization process, the Department constructed a plan to focus on four “global” priorities that impact every business in the state, and four more targeted priority areas.

The four “global” priorities:

- 1) Competitiveness and innovation
- 2) Education and workforce training
- 3) More efficient regulation
- 4) Infrastructure investment

The four targeted priority areas:

- 1) Community capacity
- 2) Industry sector focus
- 3) Rural focus
- 4) Small business assistance

During an October 2009 press conference where the Governor and Commerce Director Weed outlined the Department's priorities, Director Weed pointed out that “Government doesn't create jobs, businesses do.”

Director Weed also pointed out at Washington's 2009 Statewide Small Business Conference that when he began his official duties he soon realized that he did not have a dedicated team, in fact, not even one person focused full-time on small business issues, which he found unacceptable in an agency with 370 employees and a budget of over \$100 million.

It is clear that through the years the old Department of Community, Trade and Economic Development became a catch-all for various state-run programs. Prior to the current reorganization effort, CTED administered more than 180 programs (Commerce says it now only administers 135 programs). This resulted in programs such as Community Mobilization, Substance Abuse, Developmental Disabilities, Special Needs Housing Assistance, Crime Victims' Programs, Long-Term Care Ombudsman, Building Code Council and various other programs to end up in an amorphous state agency that was only loosely focused on growing private sector commercial and economic activity.

CTED's old vision was to "Multiply the value of our people, programs, and performance through the power of working together." The old mission statement was to "Invest in Washington's communities, businesses and families to build a healthy and prosperous future." Those contrast sharply with the new one of "growing and improving jobs in the state."

HB 2658

HB 2658 seeks to reorganize some of the Department of Commerce in order to refocus the Department on its revamped "mission of growing and improving jobs in the state." The proposal transfers certain programs from the Department of Commerce to other, more appropriate state agencies, whose missions are more closely aligned with the core functions of those programs.

Examples of current Commerce programs that would be reassigned by HB 2658 are the various substance abuse programs and the Crime Victims' Assistance Program, which should be moved to DSHS. The substance abuse programs, as administered by the old Department of Community, Trade and Economic Development were grant programs that "targeted and coordinated strategies to reduce the incidence and impact of alcohol, tobacco, or other drug abuse or violence." [RCW43.270.020]

The mission of the new Department of Commerce should be related to the new mission and vision as laid out by the Governor and the Director. Moving many of the old drug prevention, health and community action, and crime victim's assistance programs would be beneficial in order to let Commerce focus on ways to help the business community through implementation of its "Defining Commerce" strategic plan.

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