



Clallam County Board of Commissioners

223 East 4th Street, Suite 4
Port Angeles, WA 98362
Phone: 360.417.2233
Email: commissioners@co.clallam.wa.us

MARK OZIAS, District 1, Chair
RANDY JOHNSON, District 2
BILL PEACH, District 3
Jim Jones, Jr. County Administrator



Port of Port Angeles Port Commission

338 West 1st Street
Port Angeles, WA 98362
Phone: 360.457.8527

Colleen M. McAleer, District 1, President
Steven D. Burke, District 2, Secretary
Connie L. Beauvais, District 3, Vice President
Karen Goschen, Executive Director

File: A72

31 October 2017

Honorable Kevin Van De Wege
P.O. Box 40424
Olympia WA 98504-0424

Honorable Steve Tharinger
PO Box 40600
Olympia, WA 98504-0600

Honorable Mike Chapman
PO Box 40600
Olympia, WA 98504-0600

RE: Request for support in asking the Department of Revenue (DOR) to expand its data sharing policy via interlocal agreements

Dear Honorable Senator Kevin Van de Wege, Honorable Representative Steve Tharinger and Honorable Representative Mike Chapman,

Background:

Our municipal and special districts create policy positions and direct investments to support the growth and management of our local economies. A clear understanding of the actual situation using reliable, recent data is critical. We need to have tools at our disposal to assess local growth and decline trends of our local economy to develop a proactive plan. One piece of that landscape is our workforce situation. Clallam County is one example of a rural Washington county facing a contradictory economic situation of a high unemployment rate combined with a high number of unfilled jobs.

We are pursuing an interlocal agreement with the Washington State Employment Security Department (ESD), which allows access to ESD's detailed information. This resource allows local leaders, to access pertinent details about local employment trends and gaps. A sample ESD interlocal agreement is attached as Exhibit A.

Another useful resource would be a similar agreement with the Department of Revenue (DOR), so that decision-makers can learn more about the total number of existing and new businesses in Clallam County that may or may not have any employees. In rural communities, a large majority of businesses have no employees. We need to quantify this trend as an economic driver. Additionally, the revenue generated by each industry sector is critical information for our decision-makers to access. In this case, as with an interlocal agreement with ESD, all proprietary data is kept confidential. Only aggregate data in conformance with RCW 50.13s released to local decision makers. DOR data can also be useful to identify businesses without employees in specific sectors like tourism, marine trades, construction and food service. This is because a non-employer business registration takes a prospective employee out of the labor pool without otherwise identifying where that labor resource is now deployed.

Our Request:

When DOR was contacted about an interlocal agreement, the DOR stated that it is the policy of DOR to enter into inter-governmental agreements only with municipalities. Within Clallam County only the City of Sequim issues business licenses which is the reason for the allowed access to the DOR data. That leaves many of our governments without a strong understanding of the economic landscape we are charged to govern. The email correspondence is attached as Exhibit B.

We feel the time has come to expand this policy and make it possible for local Clallam County leaders to gain these data insights to inform local policies and investments to better control our own destiny rather than relying on limited and often dated or inaccurate reports sporadically produced by state and federal agencies. We ask that you advocate to the Department of Revenue on our behalf to support an interlocal agreement with the Port, or the County, exactly as they have done with many cities across the state.

We respect the vital work of the Department of Revenue and it is our sincere hope that the department will view this request as an opportunity to evolve policy in a manner responsive to compelling emerging needs while ensuring individual proprietary data is kept confidential.

Sincerely,

Clallam County
Board of Commissioners

Port of Port Angeles
Port Commission

Mark Ozias

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