

# HOUSE BILL REPORT

## SHB 1808

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As Amended by the Senate

**Title:** An act relating to international trade.

**Brief Description:** Creating the Washington council on international trade.

**Sponsors:** By House Committee on Trade, Economic Development & Housing (originally sponsored by Representatives Shin, Mastin, Forner, Wineberry, Rayburn, Jones, Cothorn, J. Kohl, Wang, Van Luven, Chandler and Linville.)

**Brief History:**

Reported by House Committee on:  
Trade, Economic Development & Housing, March 1, 1993,  
DPS;  
Passed House, March 11, 1993, 92-0;  
Amended by Senate.

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### HOUSE COMMITTEE ON TRADE, ECONOMIC DEVELOPMENT & HOUSING

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 13 members: Representatives Wineberry, Chair; Shin, Vice Chair; Forner, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; Campbell; Conway; Morris; Quall; Schoesler; Sheldon; Springer; Valle; and Wood.

**Staff:** Charlie Gavigan (786-7340).

**Background:** Washington State has several programs to promote international trade and exporting by small businesses.

The Department of Agriculture and the Department of Trade and Economic Development (DTED) are engaged in market development activities that include research and market identification programs. The DTED programs also target key overseas markets and industries. The Small Business Export Finance Assistance Center (EAC) is a nonprofit corporation created to provide export counseling. The EAC guides potential exporters through the procedures and documentation that exporting requires. The EAC operates the Pacific Northwest Export Assistance Project, which provides extensive technical assistance to a small number of businesses with export potential.

The International Marketing Program for Agricultural Commodities and Trade (IMPACT), at Washington State University, and the Center for International Trade in Forest Products (CINTRAFOR), at the University of Washington, conducts research and provides information about current and potential markets for Washington's agricultural and forest products.

There is no state entity that coordinates the several public programs promoting international trade, or facilitates a state trade strategy.

**Summary of Bill:** The governor's Council on International Trade is established in the Governor's Office. There are 20 members on the council as follows: (1) two members representing trade organizations; (2) two members representing the ports; (3) four representatives of businesses active in exporting goods; (3) the chairs of the trade committees in the Legislature; (4) two experts in foreign marketing; (5) two experts in export financing; (6) the directors of the Department of Trade and Economic Development and the Department of Agriculture; and (7) four legislators, one from each caucus. The director of the Department of Trade and Economic Development shall chair the council. Non-legislative members are appointed by the governor.

The council's duties include: (1) advising the executive branch on policies to enhance Washington exports; (2) reviewing current export programs and advising the executive branch regarding markets with potential that currently are not being emphasized by state programs; (3) helping coordinate public export programs statewide; (4) identifying current and long-term trade issues that need to be addressed; and (5) recommending methods to increase the awareness of the importance of trade to Washington State.

The council must make a preliminary report to the governor and the Legislature by June 1, 1994, and a final report by December 1, 1994. The council expires on June 30, 1995.

**EFFECT OF SENATE AMENDMENT(S):** The Senate striking amendment:

(1) Places the Council on International Trade under the Joint Legislative Committee on Economic Development (replaced by the Executive-Legislative Committee on Economic Development under SSB 5300) rather than in the Office of the Governor;

(2) Changes the membership of the committee from 20 to 15 as follows: (a) removes one representative of export

businesses; (b) replaces the chairs of the legislative trade committees with 3 member of the Executive-Legislative Committee on Economic Development (created by SSB 5300); (c) removes four legislators and the director of the Department of Agriculture; and

(3) Adds an analysis of impacts on Washington of the Uruguay round of GATT trade talks to the duties of the council.

**Fiscal Note:** Available.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** International trade accounts for at least one of every five jobs in Washington. International trade is a key to Washington's long term economic prosperity. This council will ensure that international trade is given high priority in the Governor's Office, that public and private international trade efforts are coordinated, and that the state is not missing good opportunities.

**Testimony Against:** None.

**Witnesses:** Representative Paull Shin, prime sponsor (pro); Ken Keach, Export Assistance Center; William Asbury, Asbury and Associates (pro); Jeanne Cobb, Department of Trade and Economic Development (pro); and Walter Swenson, Department of Agriculture (pro).

**VOTE ON FINAL PASSAGE:**

Yeas 92; Excused 2; Absent 4

Excused: Representatives Locke, Springer

Absent: Representatives Basich, Conway, Johnson R, Lemmon