

HOUSE BILL REPORT

2SSB 5698

As Reported By House Committee On:
Trade, Economic Development & Housing
Appropriations

Title: An act relating to assisting companies to adopt ISO-9000 standards.

Brief Description: Assisting companies to adopt ISO-9000 quality standards.

Sponsors: Senate Committee on Trade, Technology & Economic Development (originally sponsored by Senators Bluechel, Skratek, Sheldon, Williams and Erwin).

Brief History:

Reported by House Committee on:
Trade, Economic Development & Housing, February 17, 1994,
DP;
Appropriations, February 28, 1994, DPA.

HOUSE COMMITTEE ON TRADE, ECONOMIC DEVELOPMENT & HOUSING

Majority Report: Do pass. Signed by 12 members:
Representatives Wineberry, Chair; Shin, Vice Chair;
Schoesler, Ranking Minority Member; Chandler, Assistant
Ranking Minority Member; Backlund; Campbell; Casada; Conway;
Quall; Sheldon; Springer and Valle.

Staff: Kenny Pittman (786-7392).

Background: The International Organization for Standardization (ISO) was founded in Geneva in 1946. ISO's purpose is to promote the development of standardization and related activities in the world with a view to facilitating international exchange of goods and services and to developing cooperation in the sphere of intellectual, scientific, technological and economic activity.

In 1987, ISO published the ISO-9000 series of quality standards. These standards, which have gained wide acceptance internationally, are guidelines for the design and development, production, final inspection and testing, installation, and servicing of products, processes or services. Adoption of these standards would provide a competitive advantage to firms involved in international

trade. Many Washington firms are not yet aware of ISO-9000 quality standards or the certification process.

Summary of Bill: The Department of Community, Trade and Economic Development, through its Business Assistance Center, will assist Washington firms wanting to adopt ISO-9000 quality standards or its American equivalent. The department's assistance includes disseminating information on ISO-9000, maintaining information on individuals and organizations providing assistance to firms desiring to become ISO-registered, maintaining information on firms that are ISO registered, establishing a mechanism to allow firms to make self-assessments on the need to become ISO-9000 certified, and coordinating the Washington program with other similar federal, state and regional programs.

Fiscal Note: Available.

Appropriation: \$49,500 from the general fund to the Department of Community, Trade and Economic Development.

Effective Date: The bill takes effect July 1, 1994.

Testimony For: Increased global competition has placed an emphasis on a business' quality of products, services and procedures. ISO-9000 quality standards are the standards for quality in Europe and parts of the Pacific Rim region. Washington businesses have missed opportunities to sell their products because they are not ISO-registered. This bill will provide the technical assistance to Washington businesses that wish to become ISO-registered.

Testimony Against: None.

Witnesses: Senator Alan Bluechel, prime sponsor (pro); Bill Walker, South Seattle Community College (pro); and K.C. Ayers, International Standards Initiative (pro).

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass as amended. Signed by 25 members: Representatives Sommers, Chair; Valle, Vice Chair; Silver, Ranking Minority Member; Carlson, Assistant Ranking Minority Member; Appelwick; Ballasiotes; Basich; Cooke; Dellwo; Dorn; Dunshee; G. Fisher; Foreman; Jacobsen; Leonard; Linville; H. Myers; Peery; Rust; Sehlin; Sheahan; Stevens; Talcott; Wang and Wolfe.

Staff: Susan Nakagawa (786-7145).

Summary of Recommendation of Committee on Appropriations Compared to Recommendation of Committee on Trade, Economic Development & Housing: The appropriation is deleted. Language is added making the bill null and void if funding is not provided in the operating budget.

Fiscal Note: Available.

Effective Date: This bill takes effect July 1, 1994.

Testimony For: Washington is now a global economy. To be competitive, businesses need ISO-9000 certification. Getting certification is not simple and can be very costly. State assistance is important to promoting ISO standards because it directs DCTED to provide technical assistance.

Testimony Against: None.

Witnesses: Senator Alan Bluechel, prime sponsor (pro); K.C. Ayers, International Standards Initiative (pro); Rocky Blue; and Rob Gilmore, Department of Trade and Economic Development (pro).