

HOUSE BILL REPORT

SHB 1123

As Passed Legislature

Title: An act relating to international trade.

Brief Description: Creating the office of Washington state trade representative.

Sponsors: By House Committee on Trade & Economic Development (originally sponsored by Representatives Sheldon, Van Luven, Horn, Campbell, Foreman, Mason, Hatfield, Ballasiotes, Kremen, Conway, K. Schmidt, D. Schmidt, Grant, Sheahan, Chopp, Schoesler, Morris, Koster, Thibaudeau, Talcott, Valle, Wolfe, L. Thomas, Casada, Boldt, Sherstad, Huff and Mitchell).

Brief History:

Committee Activity:

Trade & Economic Development: 1/25/95, 1/26/95, 2/1/95 [DPS].

Floor Activity:

Passed House: 2/22/95, 94-0.

Senate Amended.

House Concurred.

Passed Legislature.

HOUSE COMMITTEE ON TRADE & ECONOMIC DEVELOPMENT

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 11 members: Representatives Van Luven, Chair; Radcliff, Vice Chair; D. Schmidt, Vice Chair; Sheldon, Ranking Minority Member; Veloria, Assistant Ranking Minority Member; Backlund; Ballasiotes; Hickel; Sherstad; Skinner and Valle.

Staff: Kenny Pittman (786-7392).

Background: Recent passage of the North American Free Trade Agreement (NAFTA) and the Uruguay round of the General Agreement on Tariffs and Trade (GATT) highlight the increased importance of international trade to the United States and the state of Washington.

Washington State has several programs to promote international trade and export by small- and medium-sized businesses. These programs include research and market development activities, export counseling, and export technical assistance.

In 1993, the Legislature established a 15-member Council on International Trade. The council was established to coordinate the various state programs that promote international trade, among other duties. The council expires on June 30, 1995.

In 1994, as part of the Governor's International Trade Initiative, the position of Special Trade Representative was created. The position was jointly funded through the Department of Agriculture and the Department of Community, Trade, and Economic Development. The Special Trade Representative acts as the state's liaison with foreign governments on trade matters and issues, works with state agencies involved in international trade, and works with the Council on International Trade. The position of Special Trade Representative was not created by statute.

Summary of Bill:

The Office of the Washington State Trade Representative is created in the Office of the Governor. The position of Governor's special trade representative is created as the executive and administrative head of the office. The Governor's special trade representative is subject to confirmation by the Senate.

The Governor's special trade representative may: (1) establish a trade advisory council; (2) advise the Governor and Legislature on matters that affect the state's export assistance efforts; (3) evaluate proposals concerning enhancement, coordination, and program structure of the state's activities in international trade; (4) consult with state agencies and agricultural commissions on the promotion of Washington goods and services overseas; and (5) request or accept gifts and grants to defray the cost of hosting foreign dignitaries and for other office expenses.

State agencies may temporarily assign staff to assist in the duties and responsibilities of the office.

Appropriation: None.

Fiscal Note: Requested on January 16, 1995.

Effective Date of Bill: The bill takes effect on July 1, 1995.

Testimony For: Government plays a key role in removing trade barriers. The State Trade Representative has been successful in helping Washington businesses access new markets. This is an example where the public and private sector have worked together to increase international trade opportunities. This bill will continue and strengthen that relationship.

Testimony Against: None.

Testified: Representative Tim Sheldon, Sponsor (Pro); Jens Stahmer, Institute for International and Multi-Ethnic Relations (Pro); John McAlister, Tree Top Corporation (Pro); Mike Fitzgerald, Department of Community, Trade, and Economic Development (Pro); and Pat Jones, Washington Public Ports Association (Pro).