

January 27, 1997

BILL ANALYSIS

TO: Members, Committee on Trade and Economic Development
FROM: Kenny Pittman, Research Analyst (786-7392)
RE: **HB 1187 « Contracting with associate development organizations.**

BACKGROUND:

Associate Development Organizations (ADOs) are local economic development nonprofit corporations that consists of a broad representative of community and economic interests, that include, but is not limited to local governments, local chambers of commerce, private industry councils, port districts, labor groups, and institutions of higher education. The purpose of the ADO is to work with representatives in their service area to identify key economic and community development problems, develop appropriate solutions, and mobilize broad support for recommended initiatives. The ADO then assumes the leadership role in the coordination of efficient delivery of services designed to implement the recommended initiatives. There are 33 ADOs in the state that operate on either a county-wide basis or consist of a consortium of two or more counties.

The Department of Community, Trade, and Economic Development (DCTED) is the primary state agency charged with assisting communities or regional areas in their community and economic development efforts. The DCTED works with a variety of local organizations, including ADOs, in the provision of community and economic development services at the community and regional level. The DCTED may enter into contracts with ADOs to provide funding that either supports or coordinates the delivery of community and economic development services in communities or regional areas. The DCTED funding has been used by ADOs for feasibility studies for specific projects, development of an economic development or action plan, and general support for the budget of the ADO.

SUMMARY:

The Department of Community, Trade, and Economic Development is required to contract with Associate Development Organizations or other local organizations for coordinated community and economic development services in communities and regional areas.

Appropriation: None.

Fiscal Note: Not requested.

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

Attachment: List of Associate Development Organizations.