

# HOUSE BILL REPORT

## HB 1187

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### As Passed Legislature

**Title:** An act relating to associate development organizations.

**Brief Description:** Contracting with associate development organizations.

**Sponsors:** By House Committee on Trade & Economic Development (originally sponsored by Representatives Alexander, Van Luven, McMorris, DeBolt, Morris, Veloria, Sheldon, Pennington, Sump and Hatfield).

**Brief History:**

**Committee Activity:**

Trade & Economic Development: 1/27/97, 2/17/97 [DP].

**Floor Activity:**

Passed House: 3/10/97, 95-0.

Passed Legislature.

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### HOUSE COMMITTEE ON TRADE & ECONOMIC DEVELOPMENT

**Majority Report:** Do pass. Signed by 9 members: Representatives Van Luven, Chairman; Dunn, Vice Chairman; Veloria, Ranking Minority Member; Sheldon, Assistant Ranking Minority Member; Alexander; Ballasiotes; Mason; McDonald and Morris.

**Staff:** Kenny Pittman (786-7392).

**Background:** Associate Development Organizations (ADO) are local economic development nonprofit corporations that consists of a broad representative of community and economic interests, that include, but are 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 is the primary state agency charged with assisting communities or regional areas in their community and economic development efforts. The department 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 department funding has been used by local ADOs for feasibility studies for specific projects, development of an economic development or action plan, and general support for the budget of the local ADO.

**Summary of Bill:** 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.

**Testimony For:** Economic development services are best delivered at the local level. That is the role of the local associate development organizations. The state funding is used to help set local development priorities and keep the state as a vital partner in development activities. This bill will restore language that was changed as part of the agency merger in 1993.

**Testimony Against:** None.

**Testified:** Representative Alexander, prime sponsor (pro); Bill Lotto, Washington Association of Economic Development Councils & Lewis County Economic Development Council (pro); and Dan White (pro).