

SENATE BILL REPORT

2SHB 1686

As Reported By Senate Committee On:
Commerce, Trade, Housing & Financial Institutions, April 1, 1999

Title: An act relating to local economic development cooperatives.

Brief Description: Requiring cooperation with local economic development cooperatives.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Kessler, DeBolt, Alexander, Mulliken, Morris, Linville, G. Chandler, Pennington, Wolfe, Hatfield, McMorris, Delvin, Romero, Sump, Clements, Ericksen, Schoesler, Campbell, D. Schmidt, Fortunato, Mielke, Radcliff, Cox, Mastin, Murray, Cooper, Lisk, Crouse, Hankins, Skinner, Thomas, B. Chandler, Koster, Parlette and Ruderman).

Brief History:

Committee Activity: Commerce, Trade, Housing & Financial Institutions: 4/1/99 [DP].

SENATE COMMITTEE ON COMMERCE, TRADE, HOUSING & FINANCIAL INSTITUTIONS

Majority Report: Do pass.

Signed by Senators Shin, Vice Chair; Benton, Deccio, Gardner, Hale, Heavey, Rasmussen, T. Sheldon, West and Winsley.

Staff: David Pringle (786-7448)

Background: The Department of Community, Trade, and Economic Development assists communities with economic development efforts. Development efforts include working with local economic development organizations to attract new businesses, help existing businesses expand, and retain existing businesses.

The Community Development Finance program was created in 1984. The department provides technical assistance to secure federal, state, and private financing for community development and local businesses.

A local associate development organization contracts with the department to promote, coordinate, and efficiently deliver economic development services in their locales.

Summary of Bill: The department must, pursuant to the Community Development Finance program, work with local economic development councils to develop expertise and secure financing.

A marketing grant program to assist associate development organization business recruitment efforts is established within the department. Criteria are established for grant applications from associate development organizations, including evidence of active participation by the

public and private sectors. Criteria are also established by which the department must award grants, including the degrees of matching funds and community support.

Appropriation: None.

Fiscal Note: Requested for the substitute bill on March 3, 1999.

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

Testimony For: Local economic development councils work very hard towards creating and retaining jobs in their communities. The marketing help that the grant program in this bill provides would really help, however. This is a small bill that is a vital part of a bigger strategy. We hope that this could work as well as the "Bio '99" program underway right now. These marketing grants can be used to represent the state in a good fashion. These grants could help stabilize economic development efforts in many rural communities. Many other states are involved in much more aggressive business recruitment efforts than Washington.

Testimony Against: None.

Testified: PRO: Bill Lotto, Washington Association of Economic Development Councils; Jim Boldt, TRIDEC; Dennis Matson, Economic Development Council of Thurston County; Scott Taylor, Washington Public Ports Association.