# Washington State House of Representatives

BILL ANALYSIS

Office of Program Research

## **State Government Committee**

### HB 1875

**Brief Description:** Creating the Washington progress board.

**Sponsors:** Representatives Miloscia and Haigh.

#### **Brief Summary of Bill**

- · The Washington Progress Board is created to:
  - develop and adopt a statewide strategy to address economic, social, cultural, environmental, and other concerns;
  - develop goals with measurable indicators to indicate progress toward meeting the strategy;
  - · adopt an implementation plan; and
  - · prepare a biennial report describing progress.

**Hearing Date:** 2/25/03

**Staff:** Marsha Reilly (786-7135).

#### **Background:**

In 1985, the Legislature created the Washington State Economic Development Board (WSEDB) to create a long-term economic development strategy for the state. The WSEDB released a report on the need for a long-term economic development strategy and made specific recommendations. The board issued its initial report in 1988 and a final report in 1989.

In 2001 the Governor established the Washington Competitiveness Council (Council) to examine the state's business climate and to make recommendations to improve competitiveness in the 21st century. The council identified competitiveness issues related to taxes and fees, regulatory and permitting, physical infrastructure, and human capital and innovation. The vast majority of the Council's recommendations addressed Washington's business climate and not specific economic development items. In response, the Governor and the Council formed the Task Force on Economic Development to investigate the capabilities of the state's economic development infrastructure and develop recommendations on how it can be strengthened.

In 2002, Executive Order 02-04 established the Washington State Economic Development Commission (Commission) consisting of 14 business leaders from across the state and a representative from the labor community. The commission provides policy oversight and long-term guidance on issues relating to the state's economy, reviews and updates the current economic development strategy and benchmarks and performance measures, and performs an annual evaluation. The commission also seeks input from community and other business leaders throughout the state.

#### **Summary of Bill:**

The Washington Progress Board (Board) is created. The Board consists of the Governor, nine members appointed by the Governor, and the director of the Department of General Administration, as a nonvoting ex-officio member. Appointed members shall be representative of the state's ethnic, cultural, social, and economic background, and five of these members shall be residents of different congressional districts. The appointed members serve four-year terms and may be reappointed. The Department of Community, Trade, and Economic Development, Office of Community Development, serves as staff to the Board.

The Board will develop a statewide strategy that addresses the future economic, social, cultural, environmental, and other concerns of the citizens of the state including, but not limited to: 1) education and work force; 2) public and private cooperation; 3) environmental quality; 4) infrastructure; 5) funding and taxation; 6) organizational excellence; and 7) other issues the board adopts by a majority vote.

In developing the strategy, the Board will hold public hearings, public meetings, and workshops to ensure broad participation. No later than December 1, 2008, the Board will forward its final strategy, along with a digest of comments and public testimony, to the Legislature. The strategy will be updated every six years.

A series of goals with measurable indicators for Washington's progress for the next two to three decades will be included as part of the strategy. The Legislature, shall approve the goals and may modify, delete, or add to the goals. The Board may recommend to the Legislature modifications to the goals as appropriate.

The Board will adopt an implementation plan that contains recommendations for statutory or other appropriate changes, modifications in public fiscal and spending policies, including the allocation of lottery revenues, and actions to be carried out by local governments, businesses, private citizens, and other organizations.

At least once each biennium, the Board shall prepare a report describing progress toward achieving the strategy based on the specific indicators adopted for measuring attainment of strategic goals. The report will also contain an analysis of significant issues and trends and will propose an agenda identifying key steps the state should take for the following two years to build for Washington's future.

**Appropriation:** None.

**Fiscal Note:** Requested on February 19, 2003.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.