

SENATE BILL REPORT

SB 5367

As Reported By Senate Committee On:
Economic Development, Trade & Management, February 7, 2007
Ways & Means, February 12, 2008

Title: An act relating to the establishment of the Washington trade corps fellowship program.

Brief Description: Establishing the Washington trade corps fellowship program.

Sponsors: Senators Shin, Kastama, Kilmer, Kauffman, Clements, Berkey and Rasmussen.

Brief History:

Committee Activity: Economic Development, Trade & Management: 1/31/07, 2/07/07
[DPS-WM].

Ways & Means: 2/12/08 [DP2S].

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, TRADE & MANAGEMENT

Majority Report: That Substitute Senate Bill No. 5367 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Kastama, Chair; Kilmer, Vice Chair; Zarelli, Ranking Minority Member; Clements, Kauffman and Shin.

Staff: Jack Brummel (786-7428)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Second Substitute Senate Bill No. 5367 be substituted therefor, and the second substitute bill do pass.

Signed by Senators Prentice, Chair; Fraser, Vice Chair, Capital Budget Chair; Pridemore, Vice Chair, Operating Budget; Zarelli, Ranking Minority Member; Brandland, Carrell, Hatfield, Hewitt, Hobbs, Honeyford, Keiser, Kohl-Welles, Oemig, Parlette, Rasmussen, Regala, Roach, Rockefeller and Schoesler.

Staff: Richard Ramsey (786-7412)

Background: The realities of global competition have increased the necessity of having citizens who not only understand the importance of international trade to Washington's economy, but also understand the mechanics of engaging in international trade. Even companies that sell only domestically are influenced by foreign suppliers and competition.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Undergraduate and graduate students with international experience hold a distinct advantage in the job market over their peers who don't have such experience.

Summary of Bill (Recommended Second Substitute): The Washington Trade Corps Fellowship Program is created at the University of Washington Center for International Business Education and Research. The center will place up to 15 Washington college and graduate students per year in foreign trade offices as fellows. The foreign trade offices may be operated by a private company or by the departments of Agriculture or Community, Trade, and Economic Development. Applicants for the fellowships must be enrolled in a school offering a credential in a field that would prepare them for international work and be proficient in the language of the country where they are placed. Fellows are to serve from six to eighteen months and receive a stipend of at least ten thousand dollars plus living and travel expenses.

The center is to appoint a committee to assist in evaluating applicants and selecting fellows. Assignments will be made in consultation with the fellow's college. Reports to the center will be required in addition to any requirements of the fellow's college. Post-fellowship employment with a trading company or a department may be required.

Fellows are to follow U.S. travel advisories and neither the center, the trading companies, the state, nor the colleges are liable for injuries caused by changes in the security status of placement countries.

EFFECT OF CHANGES MADE BY WAYS & MEANS COMMITTEE (Recommended Second Substitute): The appropriations are removed and technical corrections are made.

EFFECT OF CHANGES MADE BY ECONOMIC DEVELOPMENT, TRADE & MANAGEMENT (Recommended First Substitute): There may be up to 15 fellows per year. A placement in a department will be approved by the department. The appropriation for the program is \$400,000 for the biennium.

Appropriation: (In Substitute) \$200,000 in fiscal year 2008. \$200,000 in fiscal year 2009.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony on Original Bill (Economic Development, Trade & Management): PRO: These fellows could help our state trade offices and develop better trade expertise in the private sector. The Secretary of State's office recommended a program like this several years ago because they saw how well it worked for British Columbia. This would offer a unique global experience to students all over the state. Passage of this bill would show a commitment to the next generation of leaders in international trade.

Persons Testifying (Economic Development, Trade & Management): PRO: Ralph Munro, citizen; Marcus Adrien, University of Washington Graduate, Professional Student Senate; Jennifer Adrien, Wendy Dang, University of Washington.

Staff Summary of Public Testimony on Recommended First Substitute (Ways & Means): PRO: Washington is the most trade-dependent state. Thirty years ago "Made in the USA" was universally accepted; this is not necessarily the case any longer. We need qualified trade experts and this program will help train them.

Persons Testifying (Ways & Means): PRO: Senator Paull Shin, prime sponsor.