

SENATE BILL REPORT

SSB 6195

As Amended by House, March 7, 2008

Title: An act relating to the definition of rural county for economic development purposes.

Brief Description: Modifying the definition of rural county for economic development purposes.

Sponsors: Senate Committee on Economic Development, Trade & Management (originally sponsored by Senators Haugen and Rasmussen).

Brief History:

Committee Activity: Economic Development, Trade & Management: 1/16/08, 1/30/08 [DPS].

Passed Senate: 2/14/08, 48-0.

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, TRADE & MANAGEMENT

Majority Report: That Substitute Senate Bill No. 6195 be substituted therefor, and the substitute bill do pass.

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

Staff: Jack Brummel (786-7428)

Background: Rural counties are currently entitled to various tax incentives which encourage economic development, including tax deferrals for investment projects and tax credits for certain business projects. For the purpose of these tax incentives, a rural county is defined as a county with less than 100 persons per square mile, or a county smaller than 225 square miles. Currently, the Community Economic Revitalization Board (CERB), Rural Washington Loan Fund (RWLF), Associate Development Organization (ADO), and electric utility rural economic development revolving fund statutes do not include this definition of a rural county.

Summary of Substitute Bill: The definition of rural counties in the CERB, RWLF, ADO, and electric utility rural economic development revolving fund statutes are made consistent with the definition of rural counties used in the rural tax incentive programs.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

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

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.

Staff Summary of Public Testimony on Substitute Bill: PRO: This is a better definition of a rural county. Island County is included as a rural county. Island County is not an urban county. It does not have a big land base; like other rural counties, there are not a lot of job opportunities.

Persons Testifying: PRO: Senator Haugen, prime sponsor; James McMahan, Washington Economic Development Association.

House Amendment(s): A section is added specifying that funding must be provided in the budget referencing the bill by bill number or the act is null and void.

A section is added making the effective date of the act July 1, 2009.