

# SENATE BILL REPORT

## ESHB 1131

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As of March 17, 2009

**Title:** An act relating to the Washington state economic development commission.

**Brief Description:** Concerning the Washington state economic development commission.

**Sponsors:** House Committee on Community & Economic Development & Trade (originally sponsored by Representatives Kenney, Pettigrew, Haler, Ericks, Bailey, Liias, Hasegawa, Hudgins, Darneille, Chase, Dunshee, Kelley, Sullivan and Nelson).

**Brief History:** Passed House: 3/09/09, 56-40.

**Committee Activity:** Economic Development, Trade & Innovation: 3/18/09.

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### SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, TRADE & INNOVATION

**Staff:** Jack Brummel (786-7428)

**Background:** The Washington State Economic Development Commission (Commission) was created to provide planning, coordination, evaluation, monitoring, and policy analysis and development for the state economic development system. The Commission is also to provide advice to the Governor and Legislature concerning the state economic development system. The Commission is required to develop an inventory of economic development programs and maintain on a biennial basis a state comprehensive plan for economic development. The Commission has released an initial inventory and its first such comprehensive plan.

The Commission is an independent state body with 11 voting members appointed by the Governor for three-year terms. Voting members include six members from the private sector; one from labor; one from port districts; one from state public higher education; one from state community or technical colleges; and one from associate development organizations. The Executive Director of the Commission is appointed by the Governor with the consent of the voting members of the Commission.

**Summary of Bill:** The Commission is established as a state agency within the executive branch. Its purpose is to provide the Governor and the Legislature with policy analysis, strategic planning, program evaluation, and monitoring of the state's economic development system.

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*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.*

Private sector membership on the Commission is increased from six to eight. All private sector members must have experience as an employer in Washington. Initial commissioner appointments are staggered, with four of the terms expiring in 2010, four in 2011, and three in 2012. Thereafter, all terms will last three years. Members are limited to two full consecutive terms, with vacancies filled in the same manner as the original appointment. The Commission members are eligible for travel reimbursement. A majority of members currently appointed constitutes a quorum.

The Commission is required to consult, collaborate, and coordinate with other agencies to avoid duplication of effort.

The Commission is authorized to accept gifts, grants, contributions from external sources and to expend the funds for purposes consistent with the statute. The Executive Director must present quarterly fiscal reports to the Commission. The Governor sets the Executive Director's salary, subject to the Commission's consent.

The Economic Development Commission Fund is created in the State Treasury. Money can only be spent after appropriation and for purposes related to the Commission's mission, role, and responsibilities. The Commission is directed to use the "unanticipated receipts" process for authorization to spend monies received but not anticipated in legislatively-approved budgets, and to use the Small Agency Client Services with the Office of Financial Management for its budget and accounting needs. The Commission is subject to state audits.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

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