

SENATE BILL REPORT

SB 5403

As of February 1, 2011

Title: An act relating to authorizing local improvement district funding to benefit innovation partnership zones for the purposes of economic development.

Brief Description: Authorizing local improvement district funding to benefit innovation partnership zones for the purposes of economic development.

Sponsors: Senators Chase, Kastama, Shin, Prentice, McAuliffe and Pridemore.

Brief History:

Committee Activity: Economic Development, Trade & Innovation: 2/03/11.

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, TRADE & INNOVATION

Staff: Edward Redmond (786-7471)

Background: Under current law, cities and towns have broad legal authority to create a local improvement district (LID) for the purpose of constructing, reconstructing, or repairing a wide range of publicly-owned structures, facilities, and infrastructure. A LID may be created by an ordinance passed by the city or town council in accordance with specified statutory procedures. The passage of the ordinance must be in response to either a petition or resolution proposing the creation of the district which is subject to a public hearing. Under certain circumstances the proceedings necessary to establish a LID must be initiated by the petition of the affected property owners. LID improvements are financed, in whole or in part, through special assessments on property that is specially benefited by the improvement.

The Legislature established Innovative Partnership Zones (IPZs) in 2007. IPZs are designated local areas that have research capacity, globally competitive firms in research-based industries, and training capacity. IPZs must have identifiable boundaries within which concentrated efforts will be made to connect innovative researchers, entrepreneurs, investors, industry associations or clusters, and training providers. IPZs are eligible for funds as provided by the Legislature or Governor. IPZs are designated by the Department of Commerce with the advice of the Economic Development Commission. IPZ designation is for a period of four years, which may be renewed through a reapplication process.

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.

Summary of Bill: The list of projects eligible for LID funding is expanded. LID funding may be used to construct and maintain research laboratories, testing facilities, incubation facilities, and training centers that are built in IPZ designated areas.

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.