

# SENATE BILL REPORT

## SB 5737

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As of January 30, 2012

**Title:** An act relating to economic development through the establishment of an intuitive trade assistance web portal.

**Brief Description:** Promoting economic development by establishing an intuitive trade assistance web portal.

**Sponsors:** Senators Kastama and Chase.

**Brief History:**

**Committee Activity:** Economic Development, Trade & Innovation: 2/16/11, 2/17/11; 1/23/12.

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

**Staff:** Edward Redmond (786-7471)

**Background:** The Department of Commerce (Commerce) is an executive branch agency tasked, amongst other things, with the responsibility of promoting statewide economic development. Commerce engages in a variety of activities to achieve this objective such as providing trade assistance to Washington-based businesses to increase their international competitiveness. Such trade assistance includes providing market opportunity assessments, trade leads, and export financing assistance.

The Washington State Export Initiative, whose goal is to increase exports by 30 percent in five years, began in 2010 as a response to the Obama administration's National Export Initiative to double exports in the same time frame. In the 2011 legislative session, the state enacted various measures directed to meet this objective through trade promotion, training, and direct assistance to small and medium sized businesses (SMEs). The Community Economic Revitalization Board (CERB) received \$3 million in state funding which the board awarded in the form of grants to various organizations to develop trade specific services for Washington State SMEs. Many of the services being developed by the grantees include some type of web-based component for businesses to utilize. At present, there is no requirement for the grantees to work in collaboration with Commerce to streamline the accessibility of such web-based information.

**Summary of Bill:** The bill as referred to committee not considered.

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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.*

**Summary of Bill (Proposed Substitute):** CERB export assistance grantees must work in collaboration with Commerce to develop and provide applicable trade content for inclusion in a centralized state trade web portal. Commerce is authorized to use the centralized state trade web portal as a hub that links the grantees' independent trade web portals together.

Commerce may derive revenue from the centralized state trade web portal including, but not limited to, sources of revenue derived from advertisements placed on the web portal by third parties. The centralized state trade web portal technology may be commercialized and licensed by Commerce.

**Appropriation:** None.

**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:** PRO: The Association of Washington Businesses (AWB) is in support of this legislation. This past year AWB has been receiving regular calls from members and businesses at large seeking information on export assistant services. AWB has been referring those businesses to Commerce, who has been handing those calls very successfully. This upward approach is necessary so when businesses are sent to Commerce all the export information will be accessible in a single place and a single web portal. In addition to trying to coordinate with the CERB grantees, Commerce is also attempting to address the intent of the original bill, developing the centralized state trade web portal. Commerce is utilizing a portion of the STEP grant funds to build the Export Washington centralized state trade web portal.

**Persons Testifying:** PRO: Amber Carter, AWB; Nick Demerice, Commerce.