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**HOUSE BILL 1717**

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**State of Washington**

**68th Legislature**

**2023 Regular Session**

**By** Representatives Rule, Corry, Paul, Stonier, Chapman, Duerr, and Timmons

Read first time 02/01/23. Referred to Committee on Innovation, Community & Economic Development, & Veterans.

1 AN ACT Relating to supporting innovation at associate development  
2 organizations; adding new sections to chapter 43.330 RCW; and  
3 creating a new section.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** The legislature finds that associate  
6 development organizations are critical to Washington state's economic  
7 success. Associate development organizations consist of 34 regional  
8 organizations servicing all of Washington's 39 counties, underpinning  
9 Washington state's economic development programs and initiatives  
10 across the state. With a mission of confidential and client-based  
11 economic development, associate development organizations enhance  
12 economic development service delivery and results statewide through  
13 public-private and state-local partnerships.

14 Therefore, the legislature intends by this act to establish a  
15 competitive grant program to support innovation, sustainability,  
16 partnerships, and equity at associate development organizations with  
17 the goal of growing jobs, expanding existing firms, recruiting new  
18 businesses, and supporting an equitable economy and inclusive  
19 economic development.

1        NEW SECTION.    **Sec. 2.**    A new section is added to chapter 43.330  
2    RCW to read as follows:

3        (1) Subject to the availability of funds appropriated for this  
4    specific purpose, the department shall establish an annual  
5    competitive grant program to support and catalyze initiatives to  
6    foster innovation, sustainability, partnerships, and equity at  
7    associate development organizations. The department shall develop  
8    grant award criteria with relevant stakeholders and award funding  
9    based on initiatives that are aligned with its work and priorities.  
10   Awards must be given equitably across the state.

11        (2) Grant recipients must provide information on the use of the  
12    funds in their annual reports to the department required under RCW  
13    43.330.082.

14        (3) Beginning December 31, 2026, the department must include  
15    information on grant award funding and use in its report to the  
16    legislature on associate development organizations contracts.

17        (4) The department shall adopt rules to implement this section.

18        NEW SECTION.    **Sec. 3.**    A new section is added to chapter 43.330  
19    RCW to read as follows:

20        The        associate        development        organization        innovation,  
21    sustainability, partnerships, and equity grant account is created in  
22    the custody of the state treasurer. Revenues to the account consist  
23    of appropriations by the legislature, private contributions, and all  
24    other sources deposited in the account. Expenditures from the account  
25    may be used only for an annual grant to associate development  
26    organizations to support and catalyze initiatives to foster  
27    innovation, sustainability, partnerships, and equity. Only the  
28    director of commerce or the director's designee may authorize  
29    expenditures from the account. The account is subject to the  
30    allotment procedures under chapter 43.88 RCW, but an appropriation is  
31    not required for expenditures.

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