
SENATE BILL 5379

State of Washington

68th Legislature

2023 Regular Session

By Senators Frame, Dozier, Boehnke, Hasegawa, Saldaña, Shewmake, and C. Wilson

Read first time 01/16/23. Referred to Committee on Business, Financial Services, Gaming & Trade.

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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