S-0466.1

## SENATE BILL 5321

State of Washington 62nd Legislature 2011 Regular Session

By Senators Chase, Kastama, and Shin

Read first time 01/20/11. Referred to Committee on Economic Development, Trade & Innovation.

1 AN ACT Relating to the responsibilities of the department of 2 commerce and associate development organizations; amending RCW 3 43.330.080; and adding a new section to chapter 43.330 RCW.

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

5 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 43.330 RCW 6 to read as follows:

7 In carrying out its responsibilities under RCW 43.330.060 and 8 43.330.080, the department shall establish protocols to be followed by associate development organizations and department staff for the 9 10 recruitment and retention of businesses. The protocols must specify 11 the circumstances under which an associate development organization is required to notify the department of its business recruitment and 12 13 retention efforts and when the department must notify the associate 14 development organization of its business recruitment and retention 15 efforts. Compliance with the protocols must be required of associate 16 development organizations by the department in its contracts with them.

17 **Sec. 2.** RCW 43.330.080 and 2009 c 151 s 10 are each amended to 18 read as follows:

p. 1

1 The department ((shall)) <u>must</u> contract with county-designated 2 associate development organizations to increase the support for and coordination of community and economic development services 3 in 4 communities or regional areas. The organizations contracted within each community or regional area ((shall)) must work closely with the 5 6 department to carry out state-identified economic development 7 priorities and be broadly representative of community and economic 8 The organization ((shall)) must be capable of identifying interests. 9 key economic and community development problems, developing appropriate 10 solutions, and mobilizing broad support for recommended initiatives. 11 The contracting organization shall work with and include local 12 governments, local chambers of commerce, workforce development councils, port districts, labor groups, institutions of higher 13 education, community action programs, and other appropriate private, 14 public, or nonprofit community and economic development groups. 15 The scope of services delivered under these contracts ((shall)) must 16 include two broad areas of work: 17

(1) Direct assistance, including business planning, to companies
 who need support to stay in business, expand, or relocate to Washington
 from out of state or other countries. Assistance includes:

21 (a) Working with the appropriate partners, including but not 22 limited to, local governments, workforce development councils, port 23 districts, community and technical colleges and higher education 24 institutions, export assistance providers, the Washington manufacturing services, the Washington state quality award council, small business 25 26 assistance programs, and other federal, state, and local programs to 27 facilitate the alignment of planning efforts and the seamless delivery 28 of business support services in the county;

(b) Providing information on state and local permitting processes,
tax issues, and other essential information for operating, expanding,
or locating a business in Washington;

32 (c) Marketing Washington and local areas as excellent locations to 33 expand or relocate a business and positioning Washington as a globally 34 competitive place to grow business, which may include developing and 35 executing regional plans to attract companies from out of state;

36 (d) Working with businesses on site location and selection 37 assistance;

p. 2

(e) Providing business retention and expansion services, including
 business outreach and monitoring efforts to identify and address
 challenges and opportunities faced by businesses; and

4 (f) Participating in economic development system-wide discussions 5 regarding gaps in business start-up assistance in Washington; and

6 (2) Support for regional economic research and regional planning 7 efforts to implement target industry sector strategies and other 8 economic development strategies, including cluster-based strategies, 9 that support increased living standards and increase foreign direct 10 investment throughout Washington. Activities include:

11 (a) Participation in regional planning efforts with workforce 12 development councils involving coordinated strategies around workforce 13 development and economic development policies and programs. Coordinated planning efforts ((shall)) must include, but not be limited 14 15 to, assistance to industry clusters in the region;

16 (b) Participation between the contracting organization and the 17 state board for community and technical colleges as created in RCW 18 28B.50.050, and any community and technical colleges in providing for 19 the coordination of the job skills training program and the customized 20 training program within its region;

21 (c) Collecting and reporting data as specified by the contract with 22 the department for statewide systemic analysis. The department 23 ((shall)) must consult with the Washington state economic development 24 commission in the establishment of such uniform data as is needed to conduct a statewide systemic analysis of the state's economic 25 26 development programs and expenditures. In cooperation with other 27 local, regional, and state planning efforts, contracting organizations may provide insight into the needs of target industry clusters, 28 business expansion plans, early detection of potential relocations or 29 30 layoffs, training needs, and other appropriate economic information;

31 (d) In conjunction with other governmental jurisdictions and 32 institutions, participate in the development of a countywide economic 33 development plan, consistent with the state comprehensive plan for 34 economic development developed by the Washington state economic 35 development commission.

36 <u>In carrying out the provisions of subsection (1)(d) and (e) of this</u> 37 <u>section, the contracting organizations must comply with the business</u>

p. 3

- 1 recruitment and retention protocols established by the department under
- 2 <u>section 1 of this act.</u>

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