

January 28, 1998

**BILL ANALYSIS**

TO: Members, Committee on Trade and Economic Development  
FROM: Kenny Pittman, Research Analyst (786-7392)  
**RE: HB 2695 - Regarding grant program to support local  
international marketing efforts.**

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**BACKGROUND:**

The Department of Community, Trade, and Economic Development (DCTED) is the primary state agency charged with assisting communities or regional areas in their community and economic development efforts. The DCTED works with a variety of local economic development organizations to help Washington businesses market their products and services on a domestic and international basis.

**SUMMARY:**

An international marketing grant program is created. The purpose of the program is to assist businesses located in distressed areas market their products and services on an international basis.

The Department of Community, Trade, and Economic Development may provide grants to local economic development councils to assist in the development of international marketing efforts for businesses located in a distressed area. Applications for grant assistance must: (1) Be submitted by a local economic development council; (2) Contain evidence of active participation between the public and private sector; (3) Contain a description of how the proposed project will assist businesses in the marketing of their products and services on an international basis; and (4) Contain other information the department deems necessary.

The department in making awards must: (1) Consider the degree of other funds, including in-kind match, committed to the project; (2) Consider the degree of community and business support for the project; and (3) Consider the coordination of the project with existing state and local economic development efforts in the county. No more than 25 percent of the appropriated funds may be awarded to any one county.

***Distressed area***— means: (1) a county with an unemployment rate that exceeds the state unemployment rate by 20 percent for the previous three years; (2) a county with a median household income that is less than 75 percent of the state median household income for the previous years; (3) a community or area that has experienced sudden and severe or long-term and severe loss of employment; or (4) an area within a county that is considered distressed.

Appropriation: \$500,000 from the general fund to the Department of Community, Trade, and Economic Development.

Fiscal Note: Requested January 21, 1998.

Effective Date: Ninety days after adjournment of session in which bill is passed.