

SENATE BILL REPORT

SB 5178

As Reported By Senate Committee On:
Commerce & Trade, January 29, 2003

Title: An act relating to funding and expenditures for legislative trade hosting and mission activities.

Brief Description: Creating the legislative international trade account.

Sponsors: Senators Hewitt, T. Sheldon, Rasmussen, Franklin, Shin, Rossi, Hale and B. Sheldon; by request of Lieutenant Governor.

Brief History:

Committee Activity: Commerce & Trade: 1/29/03 [DPS].

SENATE COMMITTEE ON COMMERCE & TRADE

Majority Report: That Substitute Senate Bill No. 5178 be substituted therefor, and the substitute bill do pass.

Signed by Senators Honeyford, Chair; Hewitt, Vice Chair; Franklin, Keiser and Mulliken.

Staff: Elizabeth Mitchell (786-7430)

Background: The Lieutenant Governor participates in trade missions and speaks with dignitaries from other countries regarding international trade issues. The Lieutenant Governor sometimes presents visiting dignitaries and trade mission contacts with hospitality gifts. Legislators and other participants on trade missions may also present hospitality gifts to hosts.

Current law provides that no state officer or employee may accept gifts in excess of \$50, with some exceptions. These exceptions include unsolicited flowers and unsolicited items of nominal value such as pens and notepads.

Summary of Substitute Bill: The legislative international trade account is created in the custody of the State Treasurer. Only private funds may be deposited in the account. All funds received for international trade hosting and trade mission activities must be deposited in the account.

The Lieutenant Governor, state officers, and state employees may accept gifts in excess of \$50 when those gifts are accepted and solicited for deposit in the legislative international trade account.

Expenditures from the account may only be used for international trade hosting and trade mission activities in which the Lieutenant Governor, Senators and Representatives participate in an official capacity. Only the Lieutenant Governor may authorize expenditures from the account. If Senators and Representatives want to spend funds from the account, they must

first have their request approved by the Secretary of the Senate or the Chief Clerk of the House of Representatives, and then they must be granted final approval from the Lieutenant Governor.

When soliciting donations solely for the legislative international trade account, the Lieutenant Governor, state officers, and state employees are presumed to not be in violation of ethics laws regarding solicitations and gifts.

Substitute Bill Compared to Original Bill: Instead of being exempt from the entire ethics chapter when soliciting funds for the account, the Lieutenant Governor, state officers and state employees are presumed not to be in violation of the solicitation and gift provisions of ethics laws.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: It is customary for the Lieutenant Governor to exchange host gifts with trade mission contacts and visiting dignitaries. Currently, the Lieutenant Governor uses a host fund from the ports and funds from his own office to pay for these host gifts; however, these funds are limited.

Testimony Against: None.

Testified: Lt. Governor Brad Owen (pro).