

# SENATE BILL REPORT

## SB 5176

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As Reported By Senate Committee On:  
International Trade & Economic Development, February 2, 2005

**Title:** An act relating to department of community, trade, and economic development programs.

**Brief Description:** Regarding department of community, trade, and economic development programs.

**Sponsors:** Senators Shin, Doumit, Rasmussen, Eide, Roach and Berkey.

**Brief History:**

**Committee Activity:** International Trade & Economic Development: 1/25/05, 2/2/05 [DPS].

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### SENATE COMMITTEE ON INTERNATIONAL TRADE & ECONOMIC DEVELOPMENT

**Majority Report:** That Substitute Senate Bill No. 5176 be substituted therefor, and the substitute bill do pass.

Signed by Senators Shin, Chair; Sheldon, Vice Chair; Pflug, Ranking Minority Member; Doumit, Eide, Roach and Zarelli.

**Staff:** Jack Brummel (786-7428)

**Background:** In 1993, the legislature created the Department of Community, Trade, and Economic Development (CTED). Its two predecessor agencies were the Department of Community Development and the Department of Trade and Economic Development. Since CTED's creation, a number of programs originally assigned to its predecessor agencies have ceased operation. Further changes in state statute and state funding have made existing statutory provisions obsolete.

**Summary of Substitute Bill:** Obsolete distressed area provisions are eliminated and references are updated. A number of employee ownership program requirements are eliminated. Obsolete references to the Development Loan Fund Committee are removed. CTED is to cooperate with the Economic Development Commission in development and implementation of strategic plans.

References to foreign trade offices, providing technical assistance in attracting capital, and providing entrepreneurial training to women and minority-owned businesses are eliminated as separate code sections and integrated with CTED's general trade and business responsibilities.

CTED's authority to solicit and receive gifts and fees for tourism purposes is replicated for film and video production purposes. An obsolete reference to the Business Assistance Center is removed.

A number of code sections are repealed. Repealed code sections include those requiring CTED to distribute pamphlets, operate the Investment Opportunities Office, run the Marketplace

Program, operate rural enterprise zones, implement a small business bonding assistance program, and provide support to the Senior Environmental Council.

**Substitute Bill Compared to Original Bill:** The title is amended. Statutes relating to CTED distributing funds for international trade fairs are not repealed. Technical corrections are made.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** The bill takes effect on July 1, 2005.

**Testimony For:** This clean-up is needed to get rid of obsolete statutes and help the department's focus. This will clean up economic development statutes to more accurately reflect what the department is funded to do.

**Testimony Against:** None.

**Who Testified:** Julie Wilkerson, CTED; Ron Newbry, WA. Economic Development Assoc.