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**SUBSTITUTE SENATE BILL 5569**

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**State of Washington**

**54th Legislature**

**1995 Regular Session**

**By** Senate Committee on Labor, Commerce & Trade (originally sponsored by Senators Fraser, Newhouse, Franklin, Swecker, C. Anderson and Sheldon)

Read first time 02/24/95.

1 AN ACT Relating to international development and capital projects;  
2 adding new sections to chapter 43.330 RCW; adding new sections to  
3 chapter 43.131 RCW; and making an appropriation.

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

5 NEW SECTION. **Sec. 1.** A large number of major capital projects are  
6 undertaken each year throughout the world on which United States  
7 businesses are eligible to submit bids. These projects pertain to  
8 urban and rural infrastructure, environmental quality, and public  
9 health improvement. Many such projects are a vital component of a  
10 nation's efforts to achieve sustainable economic development,  
11 environmental quality, and public health. Certain of these projects  
12 are of such magnitude as to require the expertise and resources of a  
13 consortium of businesses. Frequently, government-to-government  
14 involvement fosters a positive business climate for securing contracts  
15 for capital projects.

16 Washington state, due to its diversified economy, comprehensive  
17 service and public sectors, and internationally renowned institutions  
18 of higher education is uniquely situated to assist in the orderly and  
19 effective development of other nations. It is the intent of the

1 legislature to facilitate Washington business initiatives to build  
2 long-term, mutually beneficial relationships in other countries.

3 NEW SECTION. **Sec. 2.** (1) "Capital project" means a major urban or  
4 rural economic development project including, but not limited to,  
5 transportation, ports, public facilities, power plants, irrigation  
6 systems, resorts, sewage systems, water systems, air and water quality  
7 systems, telecommunications, data processing, national historic  
8 preservation, and habitat restoration.

9 (2) "Consortium" means a partnership, copartnership, joint venture,  
10 joint stock company, business trust, corporation, association, or any  
11 group of businesses acting as a unit for the purpose of securing a  
12 capital project.

13 NEW SECTION. **Sec. 3.** The office of capital projects is  
14 established as a project within the department. The office shall:

15 (1) Assist consortium and Washington state businesses in  
16 successfully bidding on international and domestic capital projects;

17 (2) Assist businesses in the formation of consortiums, when  
18 appropriate, that have the range of services and technical skills to  
19 compete for capital projects;

20 (3) Assist consortiums and businesses to market their services and  
21 products in international markets;

22 (4) Assist consortiums and businesses to access information on  
23 capital project opportunities including:

24 (a) Identifying those types of businesses with the type and level  
25 of expertise to participate in various types of capital projects; and

26 (b) Identifying the type of capital projects and international  
27 markets that have the greatest potential for consortiums and businesses  
28 to provide products and services;

29 (5) Provide information to consortiums and businesses on the  
30 purpose and services of the office of capital projects;

31 (6) Provide initial assistance to consortiums and businesses in  
32 bidding on capital project contracts, including such intergovernmental  
33 contacts as considered appropriate with countries or regions where  
34 capital projects are proposed;

35 (7) Provide information to consortiums and businesses on trade  
36 tariffs, quotas, government regulations, project financing, or other  
37 special procedural aspects of participating in international trade;

1 (8) Provide foreign nations or their units of government  
2 information on public and private sector policies and practices to  
3 enhance economic development, manage natural resources, and improve the  
4 environment and quality of life for their citizens, and on other  
5 related matters deemed appropriate by the director; and

6 (9) Cooperate with other state, federal, and local agencies, the  
7 private sector, and institutions of higher education in facilitating  
8 informational tours and exchange programs in order to develop economic,  
9 social, and public sector relationships.

10 NEW SECTION. **Sec. 4.** The director of the department, through the  
11 office of capital projects:

12 (1) May receive funds, coordinate with other governmental agencies,  
13 and carry out such other duties as are deemed necessary to implement  
14 section 3 of this act;

15 (2) May receive such gifts, grants, and endowments from private or  
16 public sources as may be made available in trust or otherwise for the  
17 use and benefit of the office of capital projects, and expend the same,  
18 or any income therefrom, according to the terms of gifts, grants, or  
19 endowments;

20 (3) May charge reasonable fees or other appropriate charges for  
21 using the services of the office of capital projects, for attendance at  
22 workshops and conferences sponsored by the office, and for various  
23 publications, materials, and services of the office. These fees shall  
24 be charged to defray the costs of operation of the office of capital  
25 projects;

26 (4) May actively seek cooperation and funding from the private  
27 sector;

28 (5) May contract with public or private entities to provide all or  
29 part of the services under this chapter; and

30 (6) Appoint an advisory committee comprised of individuals with  
31 expertise in capital projects and international business to advise the  
32 office on program priorities and effectiveness.

33 NEW SECTION. **Sec. 5.** Contracts entered into by consortiums do not  
34 constitute a contract with the state of Washington, and do not incur a  
35 liability, obligation, pledge of faith, or credit of the state of  
36 Washington.

1        NEW SECTION.    **Sec. 6.**    The office of capital projects is prohibited  
2 from entering into any legal or otherwise binding contract with foreign  
3 governmental units or consortiums in relation to a capital project.  
4 The office shall make a good faith effort to provide information about  
5 its services to all businesses in the state that have good potential to  
6 benefit from them.

7        NEW SECTION.    **Sec. 7.**    The office of capital projects shall  
8 cooperate with the Pacific Northwest economic region office and its  
9 member states and provinces of Oregon, Idaho, Montana, Alaska, British  
10 Columbia, and Alberta. Cooperation in the provision of services may be  
11 temporary and subject to the payment of fees, subject to negotiation by  
12 the office of capital projects.

13        NEW SECTION.    **Sec. 8.**    Before the termination of the office  
14 pursuant to section 11 of this act the office of capital projects shall  
15 provide to the governor and the legislature a report on costs to the  
16 state resulting from the operation of the program as well as any  
17 employment growth, increased business sales, and increased revenue  
18 attributable directly or indirectly to the program, along with any  
19 other program impacts.

20        The report shall address: The number of firms assisted; the type  
21 of assistance provided to each firm; the types of businesses assisted  
22 as classified by the standard industrial classification manual; the  
23 size and the age of each firm assisted; the number of minority and  
24 women-owned businesses assisted; the number of assisted firms in  
25 distressed areas of the state; the number of jobs created or retained  
26 in each firm as a result of the program's assistance; the wage rates of  
27 jobs retained or new jobs created as a result of the program; the  
28 results of client satisfaction surveys completed by firms assisted by  
29 the program; and sales volume trends for each firm assisted by the  
30 program.

31        NEW SECTION.    **Sec. 9.**    The department, the international business  
32 division of the department of agriculture, the Pacific Northwest  
33 economic region, state, federal, and local governments, institutions of  
34 higher education, and the Washington state export assistance center are  
35 encouraged to actively promote and support the efforts of the office of  
36 capital projects to achieve the goals of section 3 of this act.

1        NEW SECTION.    **Sec. 10.**    Sections 1 through 9 of this act are each  
2 added to chapter 43.330 RCW.

3        NEW SECTION.    **Sec. 11.**    A new section is added to chapter 43.131  
4 RCW to read as follows:

5        The office of capital projects and its powers and duties shall be  
6 terminated on June 30, 2001, as provided in section 12 of this act.

7        NEW SECTION.    **Sec. 12.**    A new section is added to chapter 43.131  
8 RCW to read as follows:

9        The following acts or parts of acts, as now existing or hereafter  
10 amended, are each repealed, effective June 30, 2002:

- 11        (1) RCW 43.330.--- and 1995 c . . . s 1 (section 1 of this act);
- 12        (2) RCW 43.330.--- and 1995 c . . . s 2 (section 2 of this act);
- 13        (3) RCW 43.330.--- and 1995 c . . . s 3 (section 3 of this act);
- 14        (4) RCW 43.330.--- and 1995 c . . . s 4 (section 4 of this act);
- 15        (5) RCW 43.330.--- and 1995 c . . . s 5 (section 5 of this act);
- 16        (6) RCW 43.330.--- and 1995 c . . . s 6 (section 6 of this act);
- 17        (7) RCW 43.330.--- and 1995 c . . . s 7 (section 7 of this act);
- 18        (8) RCW 43.330.--- and 1995 c . . . s 8 (section 8 of this act);
- 19        and
- 20        (9) RCW 43.330.--- and 1995 c . . . s 9 (section 9 of this act).

21        NEW SECTION.    **Sec. 13.**    The sum of two hundred thousand dollars, or  
22 as much thereof as may be necessary, is appropriated for the biennium  
23 ending June 30, 1997, from the general fund to the department of  
24 community, trade, and economic development for the purposes of this  
25 act.

26        NEW SECTION.    **Sec. 14.**    If any provision of this act or its  
27 application to any person or circumstance is held invalid, the  
28 remainder of the act or the application of the provision to other  
29 persons or circumstances is not affected.

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