
**Economic Development,
Agriculture & Trade Committee**

HB 1898

Brief Description: Creating an office of entrepreneurial development.

Sponsors: Representatives Chase, Skinner and Kessler.

Brief Summary of Bill

- Creates the Office of Entrepreneurial Development in the Department of Community, Trade and Economic Development.

Hearing Date: 2/28/05

Staff: Tracey Taylor (786-7196).

Background:

Start-up firms and small businesses have been shown to be the main drivers of job growth in our economy. This is true in both urban and rural Washington. Entrepreneurial training and assistance is positively associated with the survival of new start-up firms and small businesses. There are many organizations that provide various elements of a successful entrepreneurial culture; however, there is no statewide coordination of services.

Summary of Bill:

The Office of Entrepreneurial Development (OED) is created in the Department of Community, Trade and Economic Development. The purpose of the OED is to develop and coordinate programs that assist in creating entrepreneurial activity.

In order to fulfill its purposes, the OED is directed to work with secondary and higher education institutions, small business development centers, small business incubators (SBI), nonprofit organizations, federally recognized Indian tribes and tribal organizations, and state and federal agencies to provide education, training, and technical assistance that increase entrepreneurial literacy, skills and experiences. The OED shall also work with state and federal agencies, commercial banks and other lending institutions, federal recognized Indian tribes and tribal organizations, community development financial institutions, and nonprofit organizations to provide training and outreach to increase access to capital for entrepreneurs. To develop an entrepreneurial culture, the OED shall work with SBIs, chambers of commerce, federally

recognized Indian tribes and tribal organizations, local community action centers, ports, public utility districts, and economic development councils.

In addition, the OED is directed to convene a work group of rural community stakeholders to identify policies that work as barriers to entrepreneurship. The OED should also work with rural development councils (RDC) on business and project development by conducting community assessments. The assessment should determine a community's needs and requirements for development and should also develop strategies to assist the community's development. An initial report from the OED and RDC shall be submitted to the appropriate legislative committees by December 1, 2005.

The OED shall have the authority to convene a partnership of appropriate state agencies and stakeholders necessary to implement the strategic regional and community plans.

Until July 1, 2010, the OED shall focus on the entrepreneurial development of Washington's rural communities. After July 1, 2010, the OED will focus on statewide entrepreneurial development.

Appropriation: The sum of \$200,000 for FY 2006 and \$200,000 for FY 2007.

Fiscal Note: Requested on February 11, 2005.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.