

FINAL BILL REPORT

ESB 6023

C 121 L 92

SYNOPSIS AS ENACTED

Brief Description: Modifying the duties and delaying the sunset termination of the center for international trade in forest products.

SPONSORS: Senators Saling, Bauer, Oke, Gaspard, Conner, Thorsness and L. Smith; by request of Legislative Budget Committee

SENATE COMMITTEE ON COMMERCE & LABOR

HOUSE COMMITTEE ON TRADE & ECONOMIC DEVELOPMENT

BACKGROUND:

The Center for International Trade in Forest Products (CINTRAFOR) was established provisionally in 1984, and permanently in 1985. The center's statutory duties include: 1) conducting research for expansion of forest-based international trade in manufactured forest products; 2) developing industrial technology to meet international customers' needs; 3) coordinating and disseminating market and technical information; 4) providing graduate education; 5) cooperating with other state and federal agencies; and 6) seeking financial support from private industry and from federal and other government sources.

The Legislative Budget Committee approved a sunset report for CINTRAFOR on October 16, 1991. The sunset report presented the following eight recommendations: 1) the Department of Trade and Economic Development should take a more active role in administering its CINTRAFOR contract; 2) CINTRAFOR should continue to enhance its management and the effectiveness of its activities; 3) CINTRAFOR should support the College of Forest Resources in developing specific agreements for cooperation and coordination with other entities such as the Business School and the Northwest Policy Center; 4) CINTRAFOR should be continued, subject to adoption of modifications in its enabling statute; 5) the center's statutory mandate should focus on secondary manufactured products; 6) an executive policy board should be created for CINTRAFOR which includes representatives of small and medium sized businesses; 7) working groups should be required for each area of research; and 8) the center should not be viewed as a comprehensive data source for business, media, and the public.

A recent federal report by the Special Cooperative State Research Service (CSRS) recommends that CINTRAFOR should narrowly define its mission to support research and report on trends significant to the Pacific Northwest, but to exclude

routine provision of data to the media and public. CSRS staff expressed the opinion that CINTRAFOR should assist in policy formulation by providing background analysis, developing options, and assessing probable impacts of options, without acting as an advocate for any particular option.

SUMMARY:

The enabling statutes for CINTRAFOR are amended: 1) to place more emphasis on research and analysis for secondary forest products manufacturing; and 2) to coordinate, develop, and disseminate market and technical information to secondary manufacturers.

The computer databases managed by CINTRAFOR are required to focus on reporting worldwide trends significant to the Northwest forest products industry.

CINTRAFOR is directed to monitor the competitiveness of small and medium sized forest products manufacturers in international markets. Small and medium sized firms are defined as those with annual gross revenues below \$25 million.

CINTRAFOR is directed to cooperate with the Northwest Policy Center and the Graduate School of Public Administration at the University of Washington.

An executive policy board consisting of representatives of small and medium sized business is established. The board's duties shall include providing advice to the director on policies, program priorities, budget requests, on securing research funding, prioritizing and selecting research projects, and on disseminating research results to CINTRAFOR's constituency.

Advisory and technical committees are established for each research area. These committees are created to help insure that projects are relevant to industry needs and that the results of research are effectively disseminated.

A new sunset date for CINTRAFOR is set for June 30, 1994. The Legislative Budget Committee is required to complete a sunset review on the center for the 1994 Legislature.

VOTES ON FINAL PASSAGE:

Senate	44	2	
House	97	0	(House amended)
Senate	46	0	(Senate concurred)

EFFECTIVE: June 11, 1992