

FINAL BILL REPORT

2SSB 5092

C 249 L 07

Synopsis as Enacted

Brief Description: Revising provisions for contracts with associate development organizations for economic development services.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Marr, Brown, Kilmer, Kauffman, Murray, Shin and Rasmussen; by request of Governor Gregoire).

Senate Committee on Economic Development, Trade & Management
Senate Committee on Ways & Means
House Committee on Community & Economic Development & Trade
House Committee on Appropriations

Background: When the Department of Community, Trade and Economic Development was created in 1993, it was directed to contract with associate development organizations (ADO) or other local organizations to coordinate local economic development services. During the past biennium the department spent \$2,965,000 on contracts with ADOs. The department was also directed to consult with ADOs, ports, and local governments in the establishment of service delivery regions in the state and to contract for economic surveys of key sectors and the coordination of technical assistance.

Summary: The department's obligations to establish service delivery regions and contract for surveys and coordination of technical assistance are eliminated. ADO contracts will require the delivery of direct assistance to companies needing support to survive, expand, or relocate. The contracts will also require support for regional economic research and regional planning efforts to implement economic development strategies.

ADO contracts are to require the development of a countywide economic development plan consistent with the State Economic Development Commission's state comprehensive plan for economic development. Also required are the provision of business retention and expansion services and marketing.

Up to five ADOs that apply for the Washington Quality Award are to be reimbursed for the award application fee; the \$10,000 award for applying is eliminated.

ADOs are required to provide the department with measures of their performance. Contracts may be terminated for failure to achieve performance goals.

ADOs in urban counties will receive \$.90 per capita, up to \$300,000. ADOs in rural counties will receive \$40,000 plus \$0.90 per capita. The per capita funds must be matched dollar for dollar and are subject to specific appropriations.

Votes on Final Passage:

Senate 49 0

House	97	1	(House amended)
Senate	44	0	(Senate concurred)

Effective: July 22, 2007