

# SENATE BILL REPORT

## SB 5170

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As Reported By Senate Committee On:  
Economic Development, Trade & Management, February 7, 2007

**Title:** An act relating to the state trade fair fund.

**Brief Description:** Concerning the state trade fair fund.

**Sponsors:** Senators Shin, Kastama, Zarelli, Kilmer, Kauffman, Jacobsen, Clements, Parlette and Rasmussen.

**Brief History:**

**Committee Activity:** Economic Development, Trade & Management: 1/26/07, 2/07/07 [DPS-WM].

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### SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, TRADE & MANAGEMENT

**Majority Report:** That Substitute Senate Bill No. 5170 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Kastama, Chair; Kilmer, Vice Chair; Zarelli, Ranking Minority Member; Clements, Kauffman and Shin.

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

**Background:** A trade fair is an exhibition organized so that companies can showcase and demonstrate their products and services. Washington began providing financial support for trade fairs to showcase Washington products in 1955 with the creation of the state trade fair fund. The fund received 3 percent of the state's proceeds from parimutuel betting at racetracks until April of 1998. This source of funds has not been replaced.

**Summary of Bill:** The Department of Community, Trade and Economic Development (CTED) may solicit funds for deposit into the state trade fair fund.

State international trade fair organizations may apply for funds from CTED to encourage participation of Washington businesses in international trade fairs in the state and overseas and to develop and operate a state international trade fair.

**EFFECT OF CHANGES MADE BY RECOMMENDED SUBSTITUTE AS PASSED COMMITTEE (Economic Development, Trade & Management):** An appropriation is provided to the state trade fair fund of \$300,000 for the biennium.

**Appropriation:** None.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

**Fiscal Note:** Available.

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

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO: It is important for the state to help small businesses enter foreign markets. Reviving the trade fair fund will increase international trade in the state. Trade fairs are particularly good at helping businesses enter new markets. A Deloitte-Touche study found that trade shows are more effective than advertising and direct mail. Trade fairs promote transactions, putting sellers from Washington in front of buyers.

**Persons Testifying:** PRO: Robert Boyd, Gary White, Washington State International Trade Fair; Andreas Udbye, World Trade Center, Tacoma.