

HOUSE BILL REPORT

E2SHB 2000

As Passed Legislature

Title: An act relating to renewing Washington's international leadership.

Brief Description: Renewing Washington's international leadership.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Mena, Berry, Ramel, Low, Walen, Ryu, Timmons, Reed, Cheney, Nance, Cortes, Santos and Hackney).

Brief History:

Committee Activity:

State Government & Tribal Relations: 1/10/24, 1/12/24 [DPS];

Appropriations: 1/25/24, 1/31/24 [DP2S(w/o sub SGOV)].

Floor Activity:

Passed House: 2/9/24, 65-32.

Senate Amended.

Passed Senate: 2/29/24, 49-0.

House Concurred.

Passed House: 3/5/24, 74-22.

Passed Legislature.

Brief Summary of Engrossed Second Substitute Bill

- Requires the Office of International Relations and Protocol (OIRP) to create a strategic plan, updated at regular intervals, to guide the state's international engagement and economic development.
- Modifies the duties of the OIRP, especially with respect to establishing government-to-government relationships, coordinating protocol for receiving foreign dignitaries, and creating an intergovernmental exchange with British Columbia.
- Expands the authority of the OIRP to create advisory committees to execute its responsibilities, including an International Engagement

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

Advisory Committee.

- Creates an interparliamentary exchange between the legislatures of Washington and British Columbia.
- Increases membership of the Legislative Committee on Economic Development and International Relations (LCEDIR) from 12 to 16 legislators.
- Transfers primary responsibility for designating foreign jurisdictions of strategic importance to Washington to the OIRP and the LCEDIR, jointly.

HOUSE COMMITTEE ON STATE GOVERNMENT & TRIBAL RELATIONS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 6 members: Representatives Ramos, Chair; Stearns, Vice Chair; Cheney, Ranking Minority Member; Gregerson, Low and Mena.

Minority Report: Do not pass. Signed by 1 member: Representative Christian, Assistant Ranking Minority Member.

Staff: Jason Zolle (786-7124).

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The second substitute bill be substituted therefor and the second substitute bill do pass and do not pass the substitute bill by Committee on State Government & Tribal Relations. Signed by 29 members: Representatives Ormsby, Chair; Bergquist, Vice Chair; Gregerson, Vice Chair; Macri, Vice Chair; Corry, Ranking Minority Member; Chambers, Assistant Ranking Minority Member; Connors, Assistant Ranking Minority Member; Couture, Assistant Ranking Minority Member; Berg, Callan, Chandler, Chopp, Davis, Dye, Fitzgibbon, Harris, Lekanoff, Pollet, Riccelli, Rude, Ryu, Sandlin, Schmick, Senn, Simmons, Slatter, Springer, Stonier and Tharinger.

Staff: Emily Stephens (786-7157).

Background:

The Office of International Relations and Protocol.

In 1991 the state established the Office of International Relations and Protocol (OIRP) to function as the state's official liaison and protocol office with foreign governments. Prior to 1991, many of these responsibilities were undertaken by the Department of Trade and Economic Development. The OIRP also provides leadership in state government with

respect to establishing and coordinating Washington's policies and relationships with foreign governments. The OIRP is housed in the Governor's office and the Governor appoints its director; the director may hire personnel as necessary. The OIRP may create temporary advisory committees as necessary to deal with specific international issues. The OIRP is one of several agencies that aids the Department of Commerce in identifying up to 15 countries of strategic importance to Washington's international trade relations.

Grants or gifts may be accepted to defray the cost of hosting foreign dignitaries.

The Legislative Committee on Economic Development and International Relations.

In 1985 the state established the Legislative Committee on Economic Development to keep the Legislature involved in state economic development. Its jurisdiction was modified in 2003 to include international relations, and it became the Legislative Committee on Economic Development and International Relations (LCEDIR). The LCEDIR consists of six senators and six representatives, with the Lieutenant Governor serving as chair. No more than three members from each chamber of the Legislature can be from the same political party.

The LCEDIR is authorized to study and review economic development issues with special emphasis on international trade, tourism, investment, and industrial development; and to assist the Legislature in developing a comprehensive and consistent economic development policy. For example, the LCEDIR may evaluate existing state policies, laws, and programs that promote or affect economic development to determine their cost-effectiveness, and it may monitor economic trends and develop state responses for the Legislature to review. The LCEDIR is required to cooperate, act, and function with legislative committees, executive agencies, similar councils or committees of other states, and interstate research organizations.

International Relations Expenditures.

A Legislative International Trade Account (Account) exists in the custody of the State Treasurer. Nonpublic gifts, grants, and endowments received by the Lieutenant Governor and Secretary of State for the purposes of international trade hosting, international relations, and international missions activities must be deposited in the Account. Contributions to the Account are limited to \$5,000 per person or entity per year. The Account is nonappropriated, and expenditures may be used only for the purposes of international trade hosting, international relations, and international trade mission activities in which the Lieutenant Governor, the Secretary of State, and legislators participate in an official capacity. Expenditures may not be used for travel and lodging. Expenditures must be authorized by the Chief Clerk of the House of Representatives, the Secretary of the Senate, and the President of the Senate (i.e. the Lieutenant Governor).

Summary of Engrossed Second Substitute Bill:

Changes to the Office of International Relations and Protocol.

The OIRP is required to create a strategic plan to guide the state's international engagement and economic development. The strategic plan must create a common framework for the state's engagement activities, including specific topics. The OIRP may consult with relevant entities and utilize existing resources when creating the strategic plan. The initial plan is due on July 1, 2025, and it must be reviewed at least every 2.5 years and fully updated at least every 5 years.

The duties of the OIRP are modified, especially with respect to establishing government-to-government relationships, coordinating protocol for receiving foreign dignitaries, and creating an intergovernmental exchange with British Columbia. Advisory committees created to execute the OIRP's responsibilities are no longer required to be temporary or limited to specific international issues, and an International Engagement Advisory Committee must be created. The primary responsibility for determining up to 15 foreign jurisdictions of strategic importance is transferred to the OIRP and LCEDIR, to be done jointly and in consultation with other agencies, and criteria are established to guide the OIRP and LCEDIR in making such designations. A jurisdiction that is currently subject to United States government sanctions for being engaged in state-sponsored terrorism is not eligible.

Creation of an Interparliamentary Exchange with British Columbia.

An interparliamentary exchange between the legislatures of Washington and British Columbia is created in order to facilitate legislator-to-legislator communication between the two governments. The state's representative for the group is the Chair of the LCEDIR.

Changes to the Legislative Committee on Economic Development and International Relations.

The LCEDIR's membership is expanded to eight senators and eight representatives, with no more than four from each chamber being of the same political party. The list of entities with which the LCEDIR must cooperate is expanded to include similar councils or committees of provinces and territories of Canada.

Changes to the Legislative International Trade Account.

The prohibition on reimbursing travel and lodging expenses from the Account is removed. The Chief Clerk of the House of Representatives and the Secretary of the Senate are no longer required to approve expenditures from the Account.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony (State Government & Tribal Relations):

(In support) The last time the state modified its laws regarding international relations was 1991, and it is time to update the statutes to reflect changes in the world and a growth in trade and tourism. This bill modernizes the state's approach to international trade and strengthens our international partnerships, particularly with our neighbor British Columbia. The bill will also create a statewide strategy to international relations that is inclusive and proactive, with better coordination between state agencies for common goals, and better representing all branches of state government in international engagements. Expanding the size of the LCEDIR will help bring a wider range of voices to the table, and the group will be able to share solutions to issues like climate change and national security. Given Washington's trade-driven economy, this bill will benefit local businesses.

(Opposed) None.

Staff Summary of Public Testimony (Appropriations):

(In support) The bill will encourage cross-border partnerships to address global challenges facing the mega-region of the Pacific Northwest and British Columbia. The LCEDIR voted unanimously that it was a priority to create an intergovernmental group with British Columbia. Trade missions are an amazing experience. This work can capitalize on the skills of Washington residents.

(Opposed) Many organizations already do this work. Agencies should take a closer look at their carbon footprint. People are being gouged for fuel and gas. Washington should not partner with Canada. Washington does not have the money to implement the bill.

Persons Testifying (State Government & Tribal Relations): Representative Sharlett Mena, prime sponsor; Geoffrey Potter, Office of the Governor; James Rolph, Office of the Lieutenant Governor; Amy Anderson, Association of Washington Business; Lydia Faitalia, Washington State Commission on Asian Pacific American Affairs; Karen Hanan, Washington State Arts Commission; and Sarah Clark, Seattle Metropolitan Chamber of Commerce.

Persons Testifying (Appropriations): (In support) Sarah Clark, Seattle Metropolitan Chamber of Commerce; James Rolph, The Lieutenant Governor's Office; and Michelle Detwiler.

(Opposed) John Worthington.

Persons Signed In To Testify But Not Testifying (State Government & Tribal Relations): John Worthington and Eric Pratt.

Persons Signed In To Testify But Not Testifying (Appropriations): None.