

SENATE BILL REPORT

E2SHB 2000

As Reported by Senate Committee On:
Business, Financial Services, Gaming & Trade, February 20, 2024

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

Committee Activity: Business, Financial Services, Gaming & Trade: 2/15/24, 2/20/24 [DPA, w/oRec].

Brief Summary of Amended Bill

- Establishes new and modified statutory duties and expands authority of the Office of International Relations and Protocol (OIRP).
- Requires OIRP to develop a strategic international engagement plan.
- Establishes that the OIRP and the Legislative Committee on Economic Development and International Relations (LCEDIR) is responsible for determining jurisdictions of strategic importance.
- Creates an Interparliamentary Exchange with British Columbia, led by LCEDIR.
- Increases the number of legislative members on LCEDIR from 12 to 16.
- Removes the prohibition on reimbursing travel and lodging expenses from the Legislative International Trade Account.

SENATE COMMITTEE ON BUSINESS, FINANCIAL SERVICES, GAMING & TRADE

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.

Majority Report: Do pass as amended.

Signed by Senators Stanford, Chair; Frame, Vice Chair; Dozier, Ranking Member; Gildon, Hasegawa, Lovick and Mullet.

Minority Report: That it be referred without recommendation.

Signed by Senators Boehnke and MacEwen.

Staff: Kellee Gunn (786-7429)

Background: The Office of International Relations and Protocol. The Office of International Relations and Protocol (OIRP), under the Office of the Governor, was created by legislation in 1991. It serves as the state's official liaison and protocol office with foreign governments. The OIRP may create temporary advisory committees to deal with specific international issues. The OIRP is led by a director, appointed by the Governor.

Legislative Committee on Economic Development and International Relations. The Legislative Committee on Economic Development and International Relations (LCEDIR) was created by legislation in 1985. It studies and reviews economic development issues with a special emphasis in international trade, tourism, investment, and industrial development, and assisting the Legislature in developing a comprehensive and consistent economic development policy. LCEDIR is led by the Lieutenant Governor and consists of 12 legislative members, six from each chamber, each equally representing the two caucuses.

Funding for LCEDIR travel costs, excluding lodging and travel, may come from the Legislative International Trade Account (Account). Authorization for expenditure requires the signed approval of the Chief Clerk of the House, the Secretary of the Senate, and the President of the Senate—Lieutenant Governor. Expenses incurred by LCEDIR, including salaries and expenses of employees, must be paid through voucher forms and signed by the chairperson or vice chairperson of the committee and attested by the secretary of the committee.

Summary of Amended Bill: The Office of International Relations and Protocol. *Strategic Plan.* The OIRP must develop a strategic international engagement plan to guide Washington State's international engagement and economic development. The OIRP may consult with relevant public and private entities when developing a plan. A complete strategic plan must be completed by July 1, 2025. Every two and a half years, the strategic plan must undergo a review to measure progress and outcomes with an update every five years.

Authority. The OIRP's authority is updated. The OIRP may:

- create advisory committees as necessary;
- designate foreign jurisdictions, such as national governments, subnational governments, and international organizations, as jurisdictions of strategic importance;
- and

- establish procedures and requirements for operations and expenditures to support and enhance state government partnerships and relationships with foreign jurisdictions.

Duties. The OIRP is required to advise and coordinate with certain elected officials on international developments pertaining to the state as well as support engagement between foreign governments, build government-to-government relationships, coordinate protocol for visiting foreign dignitaries, designate an international engagement advisory committee, assist institutions of higher education in implementing international programs, improve coordination with the Washington Tourism Authority, and establish an international exchange between the state and British Columbia.

Countries of Strategic Importance. The duty to determine 15 foreign jurisdictions of strategic importance to the development and diversification of Washington State's international relations is moved from the Department of Commerce to OIRP and LCEDIR. Certain factors must be considered when designating such jurisdictions including partnership in key industrial sectors, the presence of international trade offices or other program-based engagement conducted by state agencies, and historic or existing bilateral agreements, among others. A foreign jurisdiction cannot be considered a country of strategic importance if it is currently subject to U.S. government sanctions and has been identified by the U.S. Department of State as being engaged in state-sponsored terrorism.

The Legislative Committee on Economic Development and International Relations. *Interparliamentary Exchange with British Columbia.* Under the general provisions of the Legislature, an Interparliamentary Exchange with British Columbia is created, represented by the chair of LCEDIR. The purpose is to facilitate legislator-to-legislator communication between the two governments. LCEDIR is also required to cooperate, act, and function with similar entities from the provinces and territories of Canada.

Additional Members Added. An additional four members are added to LCEDIR, two from each chamber, each representing a member of the opposite caucus.

Travel and Lodging Costs. Travel and lodging are an allowable use of funds from the Account. Authorization from the Chief Clerk of the House and the Secretary of the Senate is no longer required for expenditures from the Account.

EFFECT OF BUSINESS, FINANCIAL SERVICES, GAMING & TRADE COMMITTEE AMENDMENT(S):

- Increases membership of LCEDIR from 12 to 16 legislators.
- Removes the prohibition on reimbursing travel and lodging expenses from the Legislative International Trade Account.
- Removes the process for LCEDIR members to be reimbursed via vouchers drawn on legislatively appropriated funds.
- Clarifies that a foreign jurisdiction may not be considered a “jurisdiction of strategic

importance” if it is currently subject to U.S. government sanctions and has been identified by the U.S. Department of State as being engaged in state-sponsored terrorism.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

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

Staff Summary of Public Testimony on Engrossed Second Substitute House Bill: *The committee recommended a different version of the bill than what was heard.* PRO: It is time to update these statutes for the 21st century. This policy area is why Washington State is considered a leader in international relations. This bill will better position the State to engage the world, and the tools and resources needed to engage with international partners. This bill will help OIRP and LCEDIR fulfil their statutory duties.

Persons Testifying: PRO: Representative Sharlett Mena, Prime Sponsor; Geoffrey Potter, Office of Governor Jay Inslee.

Persons Signed In To Testify But Not Testifying: No one.