
HOUSE BILL 1778

State of Washington

68th Legislature

2023 Regular Session

By Representatives Volz and Ryu

Read first time 02/07/23. Referred to Committee on Innovation, Community & Economic Development, & Veterans.

1 AN ACT Relating to economic resilience planning; amending RCW
2 43.330.060; adding a new section to chapter 43.330 RCW; and creating
3 a new section.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** The legislature finds that Washington
6 state is the most trade focused state in the nation. International
7 trade and investment is responsible for one-fifth of private sector
8 jobs in Washington. Washington is the fourth largest exporter in the
9 United States, and the Seattle-Tacoma-Bellevue metropolitan area is
10 the third largest exporting metropolitan area. Almost 90 percent of
11 the 12,000 companies that export from Washington were small and
12 medium-sized businesses.

13 The legislature further finds that Washington's trade focus has
14 advantages and disadvantages. Washington's trade focus provides job
15 and income growth opportunities during times of peace, but also great
16 economic risk in the event of geopolitical disruption. Therefore, it
17 is the intent of the legislature that the department of commerce
18 increase its planning and assistance for diversifying export markets
19 for Washington businesses.

1 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.330
2 RCW to read as follows:

3 The department shall report to the legislature by July 1, 2024,
4 on the anticipated economic impacts in Washington state in the event
5 of a major disruption to trade with any of Washington's historic top
6 trading partners, and make policy recommendations on how the
7 department could be equipped to provide business assistance to
8 impacted exporters and their employees in Washington. The report must
9 include a description of current efforts to diversify Washington
10 state trade relationships and decrease reliance on any one particular
11 trading partner.

12 **Sec. 3.** RCW 43.330.060 and 2010 c 165 s 2 are each amended to
13 read as follows:

14 (1) The department shall (a) assist in expanding the state's role
15 as an international center of trade, culture, and finance; (b)
16 promote and market the state's products and services both nationally
17 and internationally; (c) work in close cooperation with other private
18 and public international trade efforts; (d) act as a centralized
19 location for the assimilation and distribution of trade information;
20 and (e) establish and operate foreign offices promoting overseas
21 trade and commerce. In carrying out these responsibilities, the
22 department shall prioritize diversifying foreign export destinations
23 and eliminate economic dependence on any particular foreign market.

24 (2) The department shall identify and work with Washington
25 businesses that can use local, state, and federal assistance to
26 increase domestic and foreign exports of goods and services. In
27 carrying out this responsibility, the department shall prioritize
28 diversifying foreign export destinations and eliminate economic
29 dependency on any particular foreign market.

30 (3) The department shall work generally with small businesses and
31 other employers to facilitate resolution of siting, regulatory,
32 expansion, and retention problems. This assistance shall include but
33 not be limited to assisting in workforce training and infrastructure
34 needs, identifying and locating suitable business sites, and
35 resolving problems with government licensing and regulatory
36 requirements. The department shall identify gaps in needed services
37 and develop steps to address them including private sector support
38 and purchase of these services.

1 (4) The department shall work to increase the availability of
2 capital to small businesses by developing new and flexible investment
3 tools; by assisting in targeting and improving the efficiency of
4 existing investment mechanisms; and by assisting in the procurement
5 of managerial and technical assistance necessary to attract potential
6 investors.

7 (5) The department shall assist women and minority-owned
8 businesses in overcoming barriers to entrepreneurial success. The
9 department shall contract with public and private agencies,
10 institutions, and organizations to conduct entrepreneurial training
11 courses for minority and women-owned businesses. The instruction
12 shall be intensive, practical training courses in financing,
13 marketing, managing, accounting, and recordkeeping for a small
14 business, with an emphasis on federal, state, local, or private
15 programs available to assist small businesses. Instruction shall be
16 offered in major population centers throughout the state at times and
17 locations that are convenient for minority and women small business
18 owners.

19 (6)(a) Subject to the availability of amounts appropriated for
20 this specific purpose, by December 1, 2010, the department, in
21 conjunction with the small business development center, must prepare
22 and present to the governor and appropriate legislative committees a
23 specific, actionable plan to increase access to capital and technical
24 assistance to small businesses and entrepreneurs beginning with the
25 2011-2013 biennium. In developing the plan, the department and the
26 center may consult with the Washington state microenterprise
27 association, and with other government, nonprofit, and private
28 organizations as necessary. The plan must identify:

29 (i) Existing sources of capital and technical assistance for
30 small businesses and entrepreneurs;

31 (ii) Critical gaps and barriers to availability of capital and
32 delivery of technical assistance to small businesses and
33 entrepreneurs;

34 (iii) Workable solutions to filling the gaps and removing
35 barriers identified in (a)(ii) of this subsection; and

36 (iv) The financial resources and statutory changes necessary to
37 put the plan into effect beginning with the 2011-2013 biennium.

38 (b) With respect to increasing access to capital, the plan must
39 identify specific, feasible sources of capital and practical
40 mechanisms for expanding access to it.

1 (c) The department and the center must include, within the
2 analysis and recommendations in (a) of this subsection, any specific
3 gaps, barriers, and solutions related to rural and low-income
4 communities and small manufacturers interested in exporting.

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