HOUSE BILL 1245

State of Washington 69th Legislature 2025 Regular Session

By Representatives Couture, Walen, Fitzgibbon, Barkis, Nance, Eslick, Caldier, Timmons, and Pollet

Read first time 01/14/25. Referred to Committee on Technology, Economic Development, & Veterans.

- 1 AN ACT Relating to promoting business development; and adding new
- 2 sections to chapter 43.330 RCW.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 43.330 5 RCW to read as follows:
- The definitions in this section apply throughout this section and sections 2 and 3 of this act unless the context clearly requires otherwise.
- 9 (1) "Business" means any corporation, partnership, company, 10 cooperative, sole proprietorship, or other legal entity organized or 11 operating for pecuniary or nonpecuniary gain.
- 12 (2) "Office" means the office of entrepreneurship established in section 2 of this act.
- 14 (3) "State agency" means a state agency, department, office, 15 board, commission, bureau, division, or institution that is part of 16 the executive branch of state government.
- NEW SECTION. Sec. 2. A new section is added to chapter 43.330 RCW to read as follows:
- 19 (1) The office of entrepreneurship is established. The director 20 of the office must be appointed by the governor. The director's

p. 1 HB 1245

- primary duty is to make it easier to start and grow a business in Washington. The office may employ staff necessary to carry out the office's duties as prescribed by this section and section 3 of this act, subject to the availability of amounts appropriated for this specific purpose.
 - (2) The office has the power and duty to:

6

7

8

10 11

12

13

14

1516

17

18

19

2021

22

23

2425

26

27

2829

- (a) Work to promote and strengthen initiatives, policies, and programs supporting the entrepreneurship of Washington-based businesses with fewer than 10 employees;
- (b) Work with stakeholders and organizations supporting entrepreneurship to enhance the learning and skills of, provide technical support to, and expand access to, resources for entrepreneurs across the state;
- (c) Serve as a point of contact to assist businesses that have been in operation for not more than five years in their interactions with state agencies and, where appropriate, refer businesses to other state or local agencies that provide assistance to businesses; and
- (d) Identify government regulations and fees that hinder business formation in the state.
- (3) In carrying out its purpose, the office may collaborate with the department of commerce, the department of enterprise services, the office of the secretary of state, the department of veterans affairs, the office of regulatory innovation and assistance, the office of minority and women's business enterprises, and all other relevant state agencies. Such relevant state agencies shall cooperate with and assist the office in the performance of its duties and functions, including by providing data collected by such agencies that is necessary for the office to complete its reporting obligations under section 3 of this act.
- NEW SECTION. Sec. 3. A new section is added to chapter 43.330 RCW to read as follows:
- 32 (1) Beginning November 1, 2026, and biennially thereafter, the 33 office shall submit to the legislative committees with jurisdiction 34 over economic development policy a report that includes, without 35 limitation:
- 36 (a) The number and total dollar amount of state contracts awarded 37 to businesses that have been in operation for not more than five 38 years, including a breakdown by demographic segments and geographic 39 areas throughout the state;

p. 2 HB 1245

(b) The percentage of the number of state contracts awarded to businesses that have been in operation for not more than five years compared to the total number of contracts awarded;

- (c) The number of businesses owned by women, minorities, or veterans that have been in operation for not more than five years and have been awarded a state contract;
- (d) The percentage of the total dollar amount of state contracts awarded to businesses that have been in operation for not more than five years compared to the total dollar amount of contracts awarded;
- (e) The types of businesses that have been in operation for not more than five years and have been awarded a state contract;
- (f) Recommendations on improving access to state contracts for businesses that have been in operation for not more than five years, including those businesses in statistically underrepresented demographic segments and geographic areas of the state;
- (g) Recommendations on improving overall entrepreneurship in the state including identifying regional challenges to entrepreneurship; and
- (h) Any additional information deemed necessary by the office to provide an accurate depiction of the condition of entrepreneurship in the state.
- (2) The office shall encourage five percent of the total number and value of state contracts to be awarded to businesses that have been in operation for not more than five years and whose principal place of business is in this state.

--- END ---

p. 3 HB 1245