



Washington Economic Development Association February 21, 2011

Prepared by James Evans (jevans@gth-gov.com)

Summary of the Week:

This week was extraordinarily busy and to reduce confusion I have organized my discussion of the week by subject category.

WEDA Winter Conference:

The winter conference was a well-attended success, and I appreciate everyone's participation. Specifically, the conference's location (Olympia) makes it a unique opportunity to support our legislative agenda with a show of local constituents. The conference was also an excellent opportunity to participate in partnership conversations and to share best practice information.

Several key legislators joined us during the conference for a legislative panel, and we appreciate the time they took from their schedules to participate in the question and answer session. The attendees, Senators Kastama and Zarelli, and Representatives Kenney and Smith represent the committee leadership for economic development in Washington in both the House and Senate.

The legislative reception on Monday night was a profound success. WEDA members were able to connect with legislators and provide their insight to the many legislators that attended. I have provided a list of the members that attended for your reference, and so that you might refer to their attendance in future conversations with their offices:

Representative Ahern w/ staff
Representative Buy
Representative Carlyle
Representative Fagan
Representative Haler
Representative Hinkle
Representative Jacks
Representative Johnson
Representative Kinney
Representative Klippert
Representative Luis Moscoso w/ 2 staff
Representative Maxwell
Representative Morris
Representative Nealey

Representative Parker
Representative Ryu
Representative Schmick
Representative Shea
Representative Stanford
Representative Takko
Representative Warnick
Representative Warnick
Representative Zeiger
Senator Baumgartner w/ 2 staff
Senator Curtis King
Senator Hewitt
Senator Honeyford
Senator Schoesler's Aid

TIF Legislation:

The TIF legislation was heard in the Senate committee on Economic Development, Trade, and Innovation. The Senate hearing on Monday made it possible for the many members attending the WEDA conference to testify or sign-in to support the legislation. I have included a link to the hearing below:

[Senate Hearing on TIF legislation](#)

The Senate bill was passed with a “do pass” recommendation from the Economic Development, Trade, and Innovation committee. The Senate bill has now been referred to the Senate Ways and Means committee. The House has not yet scheduled the bill.

ESHB 1086 (Supplemental Budget):

I would like to provide you with the conference report numbers. The columns are highlighted below to provide clarity: **Governor’s Proposal**, **House**, **Senate**, **FINAL AGREEMENT**.

Department of Commerce					
Policy Items (Dollars in Thousands)					
16.	Admin Services ATB Reduction	-208	-208	-208	-208
17.	BSA/Operations	-843	-1,771	-481	-692
18.	BSA/Domestic Contract Pass-Thru	-4	-4	-4	-4
19.	BSA/Other Pass-Thru	-74	-74	-74	-74
20.	BSA/Microenterprise Development	-21	-21	-21	-21
21.	BSA/Washington Technology Center	-262	-131	-262	-262
22.	BSA/Other Pass-Thru/Global Hlth Tch	-250	-107	-600	-107
23.	BSA/Other Pass-Thru/PNW Econ Reg	-15	-5	-15	-5
24.	BSA/ADO Grants	-278	-200	-355	-355
25.	BSA/Domestic Contracts/Export Finc	-11	-11	-11	-11
26.	BSA/Other Pass-Thru History Link	-5	0	-5	-5
27.	BSA/IPZ Economic Develop Pgm	-13	-13	-13	-13
28.	BSA/Other Pass-Thru NW Ag Business	-81	-40	-121	-40
29.	BSA/Tourism Development	0	-274	-554	0
30.	CSHD/Advocacy & Policy	-35	-35	-35	-35
31.	CSHD/Victim Witness	-153	-153	-153	-153
32.	CSHD/Domestic Violence Legal Adv	0	0	0	-141
33.	CSHD/Sexual Assault	0	0	0	-776
34.	CSHD/Crime Victims Service Centers	-120	-120	-120	-120
35.	CSHD/Community Svcs Block Grant	-17	-17	-17	-17
36.	CSHD/LTC Ombudsman Pgm	-75	-75	-75	-75
37.	CSHD/Retired & Senior Volunteer Pgm	-32	-32	-32	-32
38.	CSHD/Family Prosperity Act	-44	-44	-44	-44
39.	CSHD/new Americans Program	-30	-30	-30	-30
40.	CSHD/Community Mobilization	-94	-94	-94	-94
41.	CSHD/Multi-Jurisdctn Drug Task Frce	-123	-123	-123	-123
42.	CSHD/Dispute Resolution	-53	-53	-53	-53
43.	CSHD/Administration	-188	-188	-188	-188
44.	CSHD/Community Develop Pgm	-2	-2	-2	-2
45.	IPPD/Legislative Liaison	-8	-8	-8	-8
46.	IPPD/Energy Policy	-76	-76	-76	-76
47.	IPPD/Local Govt Fiscal Note Pgm	-29	-29	-29	-29
48.	IPPD/Rural Development	-38	-38	-38	-15
49.	IPPD/WA Economic Develop Comm Adm	0	0	-110	-43
50.	IPPD/Innovation Research Teams	-105	-95	-190	-190
51.	IPPD/Evergreen Jobs Initiative	-6	-6	-6	-6
52.	IPPD/Other Operating	-59	-156	-20	-20
53.	LGI/Growth Management Admin	-70	-70	-70	-70
54.	LGI/Growth Management Grants	-240	-240	-240	-240
55.	LGI/Community & Financial Svcs	-61	-61	-61	-61
56.	LGI/Portfolio Management	-4	-4	-4	-4
57.	LGI/Marine Container Ports	-11	-11	-11	-11
Total		-3,738	-4,619	-4,553	-4,453

Numbers have been communicated at every state of the process, and this has led to some confusion. Please refer to the FINAL AGREEMENT numbers above for information about the Supplemental Budget. The ADO grant reduction was 9.1% (formerly \$3,231,000, revised downwards by \$278,000 to \$2,953,000.) The EDC was preserved with a 0% final cut. Now our work begins on the Biennial Budget (2011-2013). Please feel free to contact me with specific budget questions.

Looking Forward:

From this point forward, bills will be scheduled without much warning.

Below you will find our bill tracking list with links to the current status of each piece of legislation and attached you will find next week's calendar.

Bill Tracking:

[HB 1035](#) – Prohibiting the use of eminent domain for economic development.

[HB 1036](#) – Concerning a municipality's right to condemn real property due to a threat to public health, safety, or welfare.

[HB 1042](#) – Providing a property tax exemption for property held under lease, sublease, or lease-purchase by a nonprofit organization that provides job training, placement, or preemployment services.

[HB 1086](#) – Making 2011 supplemental operating appropriations.

[HB 1090](#) – Responding to the current economic conditions by temporarily modifying the unemployment insurance program.

[HB 1091](#) – Modifying the unemployment insurance program.

[HB 1151](#) – Reducing the regulatory burden for Washington businesses.

[HB 1196](#) – Directing state agencies to consider economic development opportunities when making land management decisions.

[HB 1199](#) – Fostering economic development by encouraging increased productivity on certain working lands through transfers in ownership.

[HB 1222](#) – Authorizing limited expansions of urban growth areas into one hundred year floodplains in areas adjacent to a freeway interchange or interstate in counties wholly or partially bordering salt waters with more than one hundred thousand but fewer than one hundred fifty thousand residents.

[HB 1240](#) – Establishing a moratorium on the imposition of impact fees.

[HB 1320](#) – Establishing the Washington investment trust.

[HB 1423/SB 5169](#) – Encouraging economic development by exempting certain counties from the forest land compensating tax.

[HB 1430](#) – Creating the Puget Sound port authority.

[HB 1440](#) – Regarding the building communities fund program competitive process.

[HB 1447](#) – Encouraging innovation in public schools.

[HB 1457](#) – Encouraging businesses to locate in vacant buildings through a business and occupation tax credit for property taxes paid.

[HB 1458](#) – Encouraging businesses to hire unemployed workers through a business and occupation tax credit.

[HB 1469](#) – Concerning landscape conservation and local infrastructure.

[HB 1521](#) – Recognizing Washington innovation schools.

[HB 1531](#) – Adjusting the minimum wage rate based on changes in consumer prices.

[HB 1546/SB 5792](#) – Authorizing creation of innovation schools and innovation zones in school districts.

[HB 1601](#) – Enacting the middle class jobs act.

[HB 1622/SB 5425](#) – Authorizing rural conservation development demonstration projects.

[HB 1624](#) – Promoting residential infrastructure development in urban growth areas.

[HB 1674/SB 5319](#) – Providing that the manufacturing innovation and modernization extension service program is not to sunset.

[HB 1713/SB 5657](#) – Modifying the categorical exemptions for development under the state environmental policy act.

[HB 1725/SB 5582](#) – Addressing administrative efficiencies for the workers' compensation program.

[HB 1831](#) – Concerning workers' compensation payments and records.

[HB 1870/SB 5665](#) – Reauthorizing counties with community empowerment zones to qualify as an eligible area for investment projects in rural counties.

[HB 1873/SB 5316](#) – Creating a Washington competition council.

[HB 1881/SB 5705](#) – Concerning community redevelopment financing in apportionment districts.

[HB 1882/SB 5541](#) – Concerning regional mobility grants and tax incentives for improving transportation connectivity and efficiency.

[HB 1884/SB 5741](#) – Concerning the economic development commission.

[HB 1915/SB 5745](#) – Concerning state assistance for financing local government infrastructure.

[HB 1916](#) – Concerning business services delivered by associate development organizations.

[HB 1924/SB 5676](#) – Concerning projects of statewide significance for economic development.

[HB 1937/SB 5403](#) – Authorizing local improvement district funding to benefit innovation partnership zones for the purposes of economic development.

[HB 1943/SB 5732](#) – Exempting certain manufacturing research and development activities from business and occupation taxation.

[HB 1952](#) – Streamlining the state environmental policy act process.

[HB 1964](#) – Simplifying and adding certainty to the calculation of workers' compensation benefits.

[HJR 4217/SJR 8213](#) – Providing for community redevelopment financing in apportionment districts.

[HJR 4208](#) – Requiring a three-fifths majority vote for approval of tax increase legislation.

[HJR 4212](#) – Requiring a two-thirds majority vote for approval of tax increase legislation.

[HJR 4213](#) – Placing restrictions on tax increases.

[HJR 4214](#) – Authorizing the state legislature to dissolve and reorganize counties under certain financial conditions.

[SB 5017](#) – Providing a property tax exemption for property held under lease, sublease, or lease-purchase by a nonprofit organization that provides job training, placement, or pre-employment services.

[SB 5034](#) – Concerning private infrastructure development.

[SB 5077](#) – Prohibiting the use of eminent domain for economic development.

[SB 5094](#) – Making 2011-2013 operating appropriations.

[SB 5095](#) – Making 2011 supplemental operating appropriations.

[SB 5135](#) – Responding to the current economic conditions by temporarily modifying the unemployment insurance program.

[SB 5145](#) – Concerning landscape conservation and local infrastructure.

[SB 5175](#) – Concerning the operation of foreign trade zones on property adjacent to but outside a port district.

[SB 5176](#) – Making 2011-13 transportation appropriations.

[SB 5238](#) – Establishing the Washington investment trust.

[SB 5253](#) – Concerning landscape conservation and local infrastructure.

[SB 5320](#) – Prioritizing infrastructure projects.

[SB 5321](#) – Concerning the responsibilities of the department of commerce and associate development organizations.

[SB 5322](#) – Creating a commission to restructure state government.

[SB 5325](#) – Concerning trade promotion.

[SB 5361](#) – Concerning the obligations of associate development organizations and the department of commerce.

[SB 5367](#) – Authorizing the economic development finance authority to continue issuing bonds.

[SB 5402](#) – Concerning tax deferrals for economic development investment projects in innovation partnership zones.

[SB 5404](#) – Authorizing community economic revitalization board funding to benefit innovation partnership zones.

[SB 5425](#) – Authorizing rural conservation development demonstration projects.

[SB 5500](#) – Concerning the rule-making process for state economic policy.

[SB 5733](#) – Concerning economic development through the establishment of an international contact database.

[SB 5734](#) – Concerning tax credits for economic development for eligible business projects in rural counties.

[SB 5735](#) – Encouraging economic development by removing the expiration date from the research and development spending business and occupation tax credit.

[SB 5736](#) – Promoting economic development through commercialization and sharing of technologies.

[SB 5737](#) – Promoting economic development by establishing an intuitive trade assistance web portal.

[SB 5738](#) – Concerning public and private sector economic development collaboration.

[SB 5764](#) – Creating innovate Washington.

[SB 5808](#) – Concerning innovative industries for economic development.



**Washington Economic Development Association
Legislative Committee Schedule
for the Week of February 21, 2010**

Below is a weekly calendar for the week of February 21st – February 25th. The relevant items on the agenda and planned action(s) (if any) on the item are highlighted. This calendar is prepared by James Evans (jevans@gth-gov.com). If you plan to attend or testify at a hearing, please inform us so that we can coordinate the most effective plan.

Monday, February 21, 2011

Ways & Means* - 02/21/11 3:30 pm

Full Committee

Senate Hearing Rm 4
J.A. Cherberg Building
Olympia, WA

Work Session: Overview of state investments in low income housing.

Public Hearing:

1. **SB 5404** - Authorizing community economic revitalization board funding to benefit innovation partnership zones.
2. **SB 5745** - Concerning state assistance for financing local government infrastructure.

Tuesday, February 22, 2011

Wednesday, February 23, 2011

Thursday, February 24, 2011

Friday, February 25, 2011