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# Technology, Economic Development, & Veterans Committee

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## HB 1595

**Brief Description:** Creating a five-year statewide economic development plan.

**Sponsors:** Representatives Ryu, Volz, Eslick, Reeves, Shavers, Zahn, Pollet, Reed, Nance, Kloba and Barnard.

### Brief Summary of Bill

- Requires the Department of Commerce (Commerce) to prepare a five-year statewide economic development proposal beginning in November 2025, implementing legislation by June 2026, and a progress report by November 2027, and continuing every five years thereafter.
- Creates a 15-member advisory committee to provide guidance to Commerce on the economic development plan, hold public meetings, recommend implementation and legislation, and organize an economic development summit.
- Requires Commerce to consult with a state agency, office, and commissions for feedback on the plan.

**Hearing Date:** 2/4/25

**Staff:** Martha Wehling (786-7067).

### Background:

The Department of Commerce (Commerce) is responsible for promoting community and economic development and assisting the state's businesses to maintain and increase their economic competitiveness. To meet these responsibilities, Commerce is required to provide

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advisory assistance to the Governor, other state agencies, and the Legislature on community and economic development issues; cooperate with the Governor and the Legislature in developing and implementing strategic plans for community and economic development efforts; and hold public meetings.

### **Summary of Bill:**

#### Advisory Committee.

Beginning in 2025, the Department of Commerce (Commerce) is required to form and provide staff to a 15-member advisory committee that is directed to provide guidance to Commerce on priorities and recommendations for a five-year statewide economic development plan (Plan).

The advisory committee must include:

- one representative from Commerce's Office of Economic Development and Competitiveness, who will serve as chair;
- two representatives;
- two senators;
- one representative from the Governor's Office;
- the Workforce Training and Education Coordinating Board Director or designee;
- the Department of Ecology's Director or designee; and
- seven representatives appointed by the Director, representing: an associate development organization, port, labor council, industry association, research institution, Commerce's Office of Tribal Relations, and Commerce's Small Business Resiliency Network.

The advisory committee members may be reimbursed for travel expenses, will serve two-year terms, and may be reappointed in the subsequent five-year Plan development. The advisory committee is required to meet at least three times in 2025 and quarterly for the development of subsequent Plans. The advisory committee is required to hold at least four public meetings in different regions of the state for input on the Plan priorities and recommendations.

In addition, the advisory committee is required to advise Commerce on implementation of the Plan, review and provide guidance on legislation to implement the Plan, and organize an economic development summit. The summit should address major economic development initiatives, updates from regional workforce development boards, and industry-specific policy concerns.

#### Department of Commerce.

Commerce is required to seek feedback on the criteria and content of the Plan prior to the advisory committee's third meeting from:

- State Commission on Hispanic Affairs;
- Commission on African American Affairs;
- State Commission on Asian Pacific American Affairs;
- Women's Commission;
- Office of Minority and Women's Business Enterprises; and
- Employment Security Department.

Commerce is required to develop a proposal for the Plan using the advisory committee's guidance and recommendations, public input from the advisory committee's public meetings, and the feedback from consultation with the state commissions and agencies. The proposal is required to include long-term goals and measurable benchmarks.

The first proposal should be provided to the Legislature and Governor's Office by November 30, 2025. Commerce is required to provide any recommended legislation to implement the Plan by June 30, 2026. Commerce is also required to provide a progress report on the Plan's implementation by November 30, 2027. Updated proposals, legislation, and progress reports should be submitted every five years thereafter.

**Appropriation:** None.

**Fiscal Note:** Requested on January 27, 2025.

**Effective Date:** The bill takes effect on May 5, 2025.