



## **WEDA LEGISLATIVE PRIORITIES FOR 2017**

As Washington State's trade association for economic development, WEDA is committed to recruiting, retaining and expanding jobs and private investment in Washington State. To assist these objectives, WEDA has adopted the following legislative priorities for 2017. These priorities focus on the most important actions that lawmakers can take to bring living-wage jobs, community revitalization and private investment to Washington State.

### **LEGISLATIVE PRIORITIES**

#### **1) Improve Washington State's Economic Climate**

Washington State should take actions to improve the state's economic climate, including attracting private investment, funding STEM education, building necessary infrastructure, supporting investments that put brownfield properties back into productive use, reducing the state's regulatory burden, funding workforce education, and maintaining the \$.09 Rural Economic Development Sales Tax Credit. The State should also focus on policies targeted at promoting growth for small and mid-sized businesses.

#### **2) Increase Funding for Local Economic Development Programs**

Economic development is most effective when it happens at the local level. Washington State should increase investments in local economic development programs to be sure they are funded at the appropriate level for successful job growth. Priority programs include Associate Development Organizations, the Community and Economic Revitalization Board, economic gardening programs, Startup Washington 365, Innovation Partnership Zones, local workforce training programs and the Department of Commerce's Business Services programs.

#### **3) Tax Incentives**

Washington should reinstate Research and Development tax incentives. Washington is now one of only a handful of states that do not provide an R&D incentive, and multiple studies demonstrate a clear correlation between these incentives and significant, high wage job growth. Washington also has some key tax policies that lead to job recruitment, retention and expansion including Business & Occupation (B&O) tax credits, aerospace incentives, trade and logistics incentives, and food processing and agricultural incentives. These key tax policies should be maintained so jobs are not lost. Additionally, Washington should extend the sales and use tax exemptions for data centers to all parts of the state, including urban counties.

**4) Preserve the Aerospace Tax Incentives Passed in 2013**

Washington should preserve and maintain the state's aerospace tax incentives, and should not attempt to add any "clawbacks" to these incentives. Changing the game retroactively would send a terrible message to businesses that are thinking about expanding in or moving to Washington State.

**4) Improve Incentives for Local Infrastructure Development**

Local infrastructure is critical to the state's ability to grow and attract businesses. Washington State should provide options and tools to local governments and agencies to fund infrastructure that enables economic development, such as Value Capture Financing, Local Revitalization Funding and local incentives to encourage industrial development.

**5) Workforce Development**

Washington State should prioritize career and technical education with the increased funding for K-12 education. In addition, the state should support policies and investments that address talent shortages in key industry sectors, and that support local flexibility in implementing workforce development and job training programs.

**6) Capital Budget**

Washington State's capital budget should include funding for important economic development investments.

**7) Dynamic Fiscal Notes**

Fiscal notes that are provided to the legislature should include both the financial costs and benefits of each bill. Presently, only the financial costs are displayed, a practice which does not provide a full picture. At a very minimum, legislators should be able to request a dynamic fiscal note on specific bills where a financial benefit calculation would be helpful.

**8) Rulemaking**

Rules that are proposed by state agencies should include a description of how they would impact economic development and job creation. Washington State's Department of Transportation has utilized these metrics and they have been very helpful.