
SENATE BILL 6087

State of Washington

61st Legislature

2009 Regular Session

By Senators Kastama and Shin

Read first time 02/23/09. Referred to Committee on Economic Development, Trade & Innovation.

1 AN ACT Relating to the duties of the Washington economic
2 development commission; amending RCW 43.330.280; and amending 2007 c
3 232 s 6 (uncodified).

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

5 **Sec. 1.** 2007 c 232 s 6 (uncodified) is amended to read as follows:

6 (1) ~~((The commission must develop and update a state comprehensive
7 plan for economic development and an initial inventory of economic
8 development programs, as required under section 4 of this act, by June
9 30, 2008.~~

10 ~~(2))~~ Using the information from ~~((the))~~ its initial inventory of
11 economic development programs, public input, and such other information
12 as it deems appropriate, the commission shall, ~~((by September 1, 2008))~~
13 in conjunction with the governor's office and the appropriate policy
14 committees of the legislature, provide a report with findings,
15 analysis, and recommendations to the governor and the legislature, by
16 December 1, 2009, on the appropriate state role in economic development
17 and the appropriate administrative and regional structures for the
18 provision of economic development services. The report shall address

1 how best to organize the state system to ensure that the state's
2 economic development efforts:

3 (a) Are organized around a clear central mission and aligned with
4 the state's comprehensive plan for economic development;

5 (b) Are capable of providing focused and flexible responses to
6 changing economic conditions;

7 (c) Generate greater local capacity to respond to local
8 opportunities and needs;

9 (d) Face no administrative barriers to efficiency and
10 effectiveness;

11 (e) Maximize results through partnerships and the use of
12 intermediaries; and

13 (f) Provide increased accountability to the public, the executive
14 branch, and the legislature.

15 ((+3)) (2) The report should address the potential value of
16 creating or consolidating specific programs if doing so would be
17 consistent with an agency's core mission, and the potential value of
18 removing specific programs from an agency if the programs are not
19 central to the agency's core mission.

20 **Sec. 2.** RCW 43.330.280 and 2007 c 227 s 2 are each amended to read
21 as follows:

22 (1) The Washington state economic development commission shall,
23 with the advice of an innovation partnership advisory group selected by
24 the commission, have oversight responsibility for the implementation of
25 the state's efforts to further innovation partnerships throughout the
26 state. The commission shall:

27 (a) Provide information and advice to the department of community,
28 trade, and economic development to assist in the implementation of the
29 innovation partnership zone program, including criteria to be used in
30 the selection of grant applicants for funding;

31 (b) Document clusters of companies throughout the state that have
32 comparative competitive advantage or the potential for comparative
33 competitive advantage, using the process and criteria for identifying
34 strategic clusters developed by the working group specified in
35 subsection (2) of this section;

36 (c) Conduct an annual innovation opportunity analysis to identify
37 (i) the strongest current intellectual assets and research teams in the

1 state focused on emerging technologies and their commercialization, and
2 (ii) faculty and researchers that could increase their focus on
3 commercialization of technology if provided the appropriate technical
4 assistance and resources;

5 (d) Based on its findings and analysis, and in conjunction with the
6 higher education coordinating board and research institutions:

7 (i) Develop a plan to be updated annually to build on existing, and
8 develop new, intellectual assets and innovation research teams in the
9 state in research areas where there is a high potential to
10 commercialize technologies. The commission shall present the plan to
11 the governor and legislature by December (~~(31, 2007)~~) 31st of each
12 year. The higher education coordinating board shall be responsible for
13 implementing the plan in conjunction with the publicly funded research
14 institutions in the state. The plan shall address the following
15 elements and such other elements as the commission deems important:

16 (A) Specific mechanisms to support, enhance, or develop innovation
17 research teams and strengthen their research and commercialization
18 capacity in areas identified as useful to strategic clusters and
19 innovative firms in the state;

20 (B) Identification of the funding necessary for laboratory
21 infrastructure needed to house innovation research teams;

22 (C) Specification of the most promising research areas meriting
23 enhanced resources and recruitment of significant entrepreneurial
24 researchers to join or lead innovation research teams;

25 (D) The most productive approaches to take in the recruitment, in
26 the identified promising research areas, of a minimum of (~~ten~~) one
27 significant entrepreneurial researcher(~~(s over the next ten years)~~) per
28 year to join or lead innovation research teams;

29 (E) Steps to take in solicitation of private sector support for the
30 recruitment of entrepreneurial researchers and the commercialization
31 activity of innovation research teams; and

32 (F) Mechanisms for ensuring the location of innovation research
33 teams in innovation partnership zones;

34 (ii) Provide direction for the development of comprehensive
35 entrepreneurial assistance programs at research institutions. The
36 programs may involve multidisciplinary students, faculty,
37 entrepreneurial researchers, entrepreneurs, and investors in building
38 business models and evolving business plans around innovative ideas.

1 The programs may provide technical assistance and the support of an
2 entrepreneur-in-residence to innovation research teams and offer
3 entrepreneurial training to faculty, researchers, undergraduates, and
4 graduate students. Curriculum leading to a certificate in
5 entrepreneurship may also be offered;

6 (e) Develop performance measures to be used in evaluating the
7 performance of innovation research teams, the implementation of the
8 plan and programs under (d)(i) and (ii) of this subsection, and the
9 performance of innovation partnership zone grant recipients, including
10 but not limited to private investment measures, business initiation
11 measures, job creation measures, and measures of innovation such as
12 licensing of ideas in research institutions, patents, or other
13 recognized measures of innovation. The performance measures developed
14 shall be consistent with the economic development commission's
15 comprehensive plan for economic development and its standards and
16 metrics for program evaluation. The commission shall report to the
17 legislature and the governor by (~~December 31, 2008~~) September 30,
18 2009, on the measures developed; and

19 (f) Using the performance measures developed, perform a biennial
20 assessment and report, the first of which shall be due December 31,
21 2012, on:

22 (i) Commercialization of technologies developed at state
23 universities, found at other research institutions in the state, and
24 facilitated with public assistance at existing companies;

25 (ii) Outcomes of the funding of innovation research teams and
26 recruitment of significant entrepreneurial researchers;

27 (iii) Comparison with other states of Washington's outcomes from
28 the innovation research teams and efforts to recruit significant
29 entrepreneurial researchers; and

30 (iv) Outcomes of the grants for innovation partnership zones.

31 The report shall include recommendations for modifications of chapter
32 227, Laws of 2007 and of state commercialization efforts that would
33 enhance the state's economic competitiveness.

34 (2) The economic development commission and the workforce training
35 and education coordinating board shall jointly convene a working group
36 to:

37 (a) Specify the process and criteria for identification of substate
38 geographic concentrations of firms or employment in an industry and the

1 industry's customers, suppliers, supporting businesses, and
2 institutions, which process will include the use of labor market
3 information from the employment security department and local labor
4 markets; and

5 (b) Establish criteria for identifying strategic clusters which are
6 important to economic prosperity in the state, considering cluster
7 size, growth rate, and wage levels among other factors.

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