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**SUBSTITUTE HOUSE BILL 2241**

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**State of Washington                      60th Legislature                      2007 Regular Session**

**By** House Committee on Technology, Energy & Communications (originally sponsored by Representatives Hudgins and Wood)

READ FIRST TIME 2/28/07.

1            AN ACT Relating to developing more effective streamlining of  
2 technology and innovation in the state of Washington; and adding a new  
3 chapter to Title 43 RCW.

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

5            NEW SECTION.    **Sec. 1.** The legislature finds that Washington state  
6 benefits from having a dynamic technology-based economy founded on and  
7 sustained by world-class innovations in such areas as software,  
8 telecommunications, aerospace, biotechnology, medical instrumentation,  
9 energy, and the environment. To assist in the growth of technological  
10 innovations, the state has established state-supported institutions,  
11 such as the Washington technology center and the Spokane  
12 intercollegiate research and technology institute, to foster the  
13 acceleration and growth of new products and technologies in the state.  
14 Additionally, to promote life sciences research and enhance the  
15 competitive position of the state, the legislature created the life  
16 sciences discovery fund.

17            Also, the legislature finds that due to the fragmentation of state  
18 technology efforts and resources and the lack of a technology strategic  
19 vision and central coordinating body, the state is hindered in

1 advancing innovation throughout the state. In addition, state  
2 technology entities vary significantly in their administrative overhead  
3 costs and vary in the methods used to calculate these costs.

4 The legislature intends to improve interactions among state  
5 technology entities to: Advance and ensure appropriate coordination  
6 and collaboration; eliminate duplication of services; set the direction  
7 for current and future technology efforts through a strategic planning  
8 process and work plan; and establish performance metrics and a prudent  
9 administrative overhead rate of no more than thirty-two percent.

10 NEW SECTION. **Sec. 2.** For the purposes of this chapter:

11 "State technology entities" means:

- 12 (1) The life sciences discovery fund authority;  
13 (2) The Spokane intercollegiate research and technology institute;  
14 (3) The Washington technology center;  
15 (4) State agencies, boards, institutions, and commissions  
16 determined by the governor to have a technology mission;  
17 (5) Any future technology-based state entity the legislature may  
18 establish or the governor may determine to be a technology-based state  
19 entity.

20 NEW SECTION. **Sec. 3.** (1) By June 1st of each year with an  
21 awareness of the state budget timetable, the governor shall issue a  
22 report on the vision for technology development in Washington. The  
23 governor shall submit the report to the legislature and to state  
24 technology entities. The report must include, but not be limited to:

25 (a) A statewide technology strategy, including goals to achieve the  
26 governor's vision for technology development in Washington;

27 (b) A work plan to implement the governor's statewide technology  
28 strategy that details how state technology entities shall collaborate  
29 and coordinate with each other; and

30 (c) An analysis identifying the most important public policy  
31 challenges faced in achieving the vision for technology development in  
32 Washington.

33 (2) In preparation for the report on the vision for technology  
34 development in Washington, the governor shall consult with state  
35 technology entities to gather input into the governor's vision for  
36 technology development in Washington.

1        NEW SECTION.    **Sec. 4.**    (1) The boards of state technology entities  
2 shall meet at least once a year with an awareness of the state budget  
3 timetable to discuss and coordinate (a) activities related to the  
4 implementation of the work plan to carry out the governor's statewide  
5 technology strategy and (b) other matters related to technology  
6 research, technology transfer, and technology commercialization. The  
7 boards of state technology entities shall jointly hold at least one  
8 meeting in conjunction with a state technology entity board of  
9 directors or trustees meeting to maximize efficient use of  
10 organizational resources.

11        (2) State technology entities shall develop an annual work plan to:

12        (a) Ensure collaboration and coordination among state technology  
13 entities for current and future technology research, transfer, and  
14 commercialization efforts;

15        (b) Identify and eliminate duplication of services;

16        (c) Assist the governor in developing a report on the vision for  
17 technology development in Washington; and

18        (d) Implement the governor's vision into their oversight of the  
19 various state technology entities.

20        NEW SECTION.    **Sec. 5.**    (1) By November 30, 2007, the office of  
21 financial management shall develop and provide to the legislature:

22        (a) Recommendations to provide a single fiscal agent under one  
23 budget category for state technology entities;

24        (b) Recommendations to adjust the administrative overhead rate  
25 charged by these state technology entities to no more than thirty-two  
26 percent; and

27        (c) A work plan to implement a single fiscal agent for the state  
28 technology entities listed under this section and an administrative  
29 overhead rate of no more than thirty-two percent for these same  
30 entities.

31        (2) By August 1, 2008, the executive directors of the state  
32 technology entities shall develop jointly a budget for the governor to  
33 consider and recommend to the legislature. The joint budget shall  
34 consider recommendations made by the office of financial management for  
35 state technology entities and other boards, institutions, or  
36 commissions as determined under subsection (1)(a) of this section.

1           NEW SECTION.   **Sec. 6.**   Sections 1 through 5 of this act constitute  
2   a new chapter in Title 43 RCW.

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