
SUBSTITUTE SENATE BILL 6774

State of Washington 60th Legislature 2008 Regular Session

By Senate Economic Development, Trade & Management (originally sponsored by Senators Kastama, Shin, and Rockefeller)

READ FIRST TIME 02/04/08.

1 AN ACT Relating to industry clusters; and amending RCW 43.330.090.

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

3 **Sec. 1.** RCW 43.330.090 and 2007 c 228 s 201 are each amended to
4 read as follows:

5 (1) The department shall work with private sector organizations,
6 industry and (~~eluster~~) sector associations, federal agencies, state
7 agencies that use a (~~eluster~~) sector-based approach to service
8 delivery, local governments, local associate development organizations,
9 and higher education and training institutions in the development of
10 industry (~~eluster~~) sector-based strategies to diversify the economy,
11 facilitate technology transfer and diffusion, and increase value-added
12 production. The industry (~~elusters~~) sectors targeted by the
13 department may include, but are not limited to, aerospace, agriculture,
14 food processing, forest products, marine services, health and
15 biomedical, software, digital and interactive media, transportation and
16 distribution, and microelectronics. The department shall, on a
17 continuing basis, evaluate the potential return to the state from
18 devoting additional resources to an industry (~~eluster~~) sector-based
19 approach to economic development and identifying and assisting

1 additional (~~clusters~~) sectors. The department shall use information
2 gathered (~~in each service delivery region~~) by each regional office in
3 formulating its industry cluster- and sector-based strategies and shall
4 assist local communities in identifying regional industry clusters and
5 sectors and developing industry cluster- and sector-based strategies.

6 ~~(2)((a) The department shall promote, market, and encourage growth~~
7 ~~in the production of films and videos, as well as television~~
8 ~~commercials within the state; to this end the department is directed to~~
9 ~~assist in the location of a film and video production studio within the~~
10 ~~state.~~

11 ~~(b) The department may, in carrying out its efforts to encourage~~
12 ~~film and video production in the state, solicit and receive gifts,~~
13 ~~grants, funds, fees, and endowments, in trust or otherwise, from~~
14 ~~tribal, local, or other governmental entities, as well as private~~
15 ~~sources, and may expend the same or any income therefrom for the~~
16 ~~encouragement of film and video production. All revenue received for~~
17 ~~such purposes shall be deposited into the film and video promotion~~
18 ~~account created in RCW 43.330.092.~~

19 ~~(3))~~ In assisting in the development of regional and statewide
20 industry cluster- and sector-based strategies, the department's
21 activities shall include, but are not limited to:

22 (a) Facilitating regional focus group discussions and conducting
23 studies to identify industry clusters, appraise the current information
24 linkages within a cluster, and identify issues of common concern within
25 a cluster;

26 (b) Supporting industry and cluster associations, publications of
27 association and cluster directories, and related efforts to create or
28 expand the activities of industry and cluster associations;

29 (c) Administering a competitive grant program to fund activities
30 designed to further regional cluster growth. In administering the
31 program, the department shall work with an industry cluster advisory
32 committee with equal representation from the workforce training and
33 education coordinating board, the state board for community and
34 technical colleges, the employment security department, business, and
35 labor.

36 (i) The industry cluster advisory committee shall recommend
37 criteria for evaluating applications for grant funds and recommend
38 applicants for receipt of grant funds.

1 (ii) Applicants must include organizations from at least two
2 counties and participants from the local business community. Eligible
3 organizations include, but are not limited to, local governments,
4 economic development councils, nonprofit industry or industry cluster
5 associations, chambers of commerce, federally recognized Indian tribes,
6 workforce development councils, and educational institutions.

7 (iii) Applications must evidence financial participation of the
8 partner organizations.

9 (iv) Priority shall be given to applicants which will use the grant
10 funds to build linkages and joint projects, to develop mechanisms for
11 information sharing among cluster members, to develop common resources
12 and common training, and to develop common research and development
13 projects or facilities.

14 (v) The maximum amount of a grant is one hundred fifty thousand
15 dollars.

16 (vi) A maximum of (~~one~~) three hundred thousand dollars total can
17 go to King, Pierce, Kitsap, and Snohomish counties combined.

18 (vii) Five percent of funds received for the grant program shall
19 be used by the department, with the industry cluster advisory
20 committee, to: (A) Identify and share with grant recipients the public
21 and private resources available that could be more intensively devoted
22 to assist industry clusters; and (B) identify mechanisms by which
23 public resources can be coordinated and more efficiently delivered to
24 support the growth and competitiveness of industry clusters, including
25 consistent timing of grant applications, the development of common
26 criteria for receipt of grants, and the establishment of grant review
27 committees with overlapping membership. No more than ten percent of
28 funds received for the grant program may be used by the department for
29 administrative costs.

30 (~~(4)~~) (3) As used in (~~(subsection (3) of)~~) this section(~~(7)~~):

31 (a) "Industry cluster" means a geographic concentration of
32 interdependent competitive firms that do business with each other(~~(-~~
33 "Industry cluster" also includes)), including firms that sell inside
34 and outside of the geographic region as well as support firms that
35 supply raw materials, components, and business services, and other
36 institutions including government and education.

37 (b) "Sector" means a group of industries with similar business
38 processes, products, or services, such as construction or health

1 services; formerly categorized by the standard industrial
2 classification system, now categorized by the North American industry
3 classification system.

4 (4)(a) The department shall promote, market, and encourage growth
5 in the production of films and videos, as well as television
6 commercials within the state; to this end the department is directed to
7 assist in the location of a film and video production studio within the
8 state.

9 (b) The department may, in carrying out its efforts to encourage
10 film and video production in the state, solicit and receive gifts,
11 grants, funds, fees, and endowments, in trust or otherwise, from
12 tribal, local, or other governmental entities, as well as private
13 sources, and may expend the same or any income therefrom for the
14 encouragement of film and video production. All revenue received for
15 such purposes shall be deposited into the film and video promotion
16 account created in RCW 43.330.092.

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