SENATE BILL REPORT SB 6015

As Reported by Senate Committee On: Economic Development, Trade & Innovation, February 25, 2009

Title: An act relating to the director of commercialization and innovation within the office of the governor.

- **Brief Description**: Establishing the director of commercialization and innovation within the office of the governor.
- Sponsors: Senators Murray, Delvin and Marr.

Brief History:

Committee Activity: Economic Development, Trade & Innovation: 2/19/09, 2/25/09 [DPS-WM].

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, TRADE & INNOVATION

Majority Report: That Substitute Senate Bill No. 6015 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Kastama, Chair; Shin, Vice Chair; Delvin, Eide and Kilmer.

Staff: Philip Brady (786-7460)

Background: Washington has a number of programs and entities directed at the creation of new technologies and the encouragement of commercialization, both in the life sciences and general technology. Examples include the Washington Technology Center, the Life Sciences Discovery Fund, high tech research and development tax credits, and UW TechTransfer.

Multiple agencies also have jurisdiction over parts of innovation and commercialization, including the Department of Community, Trade, and Economic Development; the Higher Education Coordinating Board; the Workforce Training Board; the Economic Development Commission; and the Department of Revenue. Advocates have suggested that these agencies may inadvertently work at cross purposes.

Summary of Bill (Recommended Substitute): The Governor's Advisor on Commercialization and Innovation (advisor) is created within the Office of the Governor. The advisor has a number of duties dealing with life sciences and technology, including investigating targeted investment strategies, liaising between communities, government, and

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business; enhancing commercialization and innovation strategies; monitoring and mitigating state policies, bills, and fiscal affairs; working with the Economic Development Commission to align efforts with the overall innovation and commercialization strategy with Washington's comprehensive plan for economic development; and conducting market analysis and competitive review.

The advisor must report to the Governor and the Legislature annually, with an initial report due December 1, 2009.

EFFECT OF CHANGES MADE BY ECONOMIC DEVELOPMENT, TRADE & INNOVATION COMMITTEE (Recommended Substitute): Creates a Governor's Adviser on Commercialization and Innovation, rather than a director, in the Governor's Office. Aligns the work of the adviser with the state's comprehensive plan for economic development.

Appropriation: None.

Fiscal Note: Requested on February 18, 2009.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Original Bill: PRO: This is a good way to start recovery while we wait for a new Department of Commerce. A director of commercialization and innovation would help ensure Washington remains a leader in innovation. The next ten years will be an explosion of information technology and communications, and Washington should be a leader. Washington already leads in many areas, but there is room to grow. This will support that growth by leveraging potential and supporting innovative people. Information technology employs 330,000 and life sciences 20,000. Innovation drives the Washington economy. While existing agencies are doing good things, it would be good to have a single coordinator.

Persons Testifying: PRO: Senator Murray, prime sponsor; Chris Rivera, Patt McKinnell Davis, Washington Biotechnology and Biomedical Association; Lew McMurran, Washington Technology Industry Association.