February 6, 1997

BILL ANALYSIS

TO: Members, Committee on Trade and Economic Development

FROM: Kenny Pittman, Research Analyst (786-7392)

RE: HB 1444 - Adopting the advanced technology research

initiative.

BACKGROUND:

Advanced technology and its associated research is an important component of the state's economic development strategy that is designed to develop high-paying, high-skilled jobs for the future. The state's major research universities (University of Washington and Washington State University) are actively involved in the development of technology that has the potential of commercial application. In recent years the competition among states for advanced technology research initiatives and federal research funds has intensified. New federal research grant opportunities are increasingly requiring matching funds from state and private sources.

SUMMARY:

The Advanced Technology Research Initiative is created to enhance the environment for advanced technology and to stimulate greater economic vitality in Washington.

The University of Washington and Washington State University are each directed to recruit new advanced technology initiatives and to provide matching dollars for new federal grant opportunities. The advanced technology research initiative must be headed by a senior, full professor that: (a) Has engaged in internationally known advanced technology research; (b) Has the ability to recruit at least two junior faculty members as assistants; (c) Is well established at an existing research entity; (d) Places a high priority and emphasis on the development of intellectual property of commercial significance; (e) Has strong, established links to private industry; (f) Has proven ability to secure

public and private sector grant funds; and (g) Has the potential to enhance the development of jobs.

The state funds must be targeted toward enhancing the development of existing or emerging Washington advanced technology industries, that include aerospace, agriculture, software, pharmaceuticals, biomedical devices, biotechnology, telecommunications, and veterinary medicine. Each university is responsible for providing facilities, infrastructure, and other support necessary to their advanced technology research initiatives. Each university is encouraged to seek private sector contributions and federal grant funding to help support their advanced technology research initiatives. State funds: (a) must be used to help secure new grants and contracts that support the development of specific Washington industries; and (b) cannot be used to replace lost federal funds for existing grants or contracts.

The University of Washington and Washington State University must each establish an Advanced Technology Advisory Committee to advise the universities on the activities of the advanced technology research initiatives. A majority of the members must be from private industry.

'Advanced technology— is defined to mean advanced computing, advanced materials, biotechnology, electronic device technology, and environmental technology.

<u>Appropriation:</u> \$9 million General Fund - State (\$6 million to University of Washington and \$3 million to Washington State University).

<u>Fiscal Note:</u> Requested January 28, 1997.

<u>Effective Date:</u> Ninety days after adjournment of session in which bill is passed.