

# HOUSE BILL REPORT

## 2SSB 5579

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As Reported By House Committee On:  
Trade, Economic Development & Housing

**Title:** An act relating to science and technology programs and policies.

**Brief Description:** Creating the office of science and technology.

**Sponsors:** Senators Skratek, Erwin, Bluechel, Deccio, M. Rasmussen, Bauer, Jesernig, Sellar, Pelz and Winsley.

**Brief History:**

Reported by House Committee on:  
Trade, Economic Development & Housing, February 24, 1994,  
DPA.

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### HOUSE COMMITTEE ON TRADE, ECONOMIC DEVELOPMENT & HOUSING

**Majority Report:** Do pass as amended. Signed by 13 members: Representatives Wineberry, Chair; Shin, Vice Chair; Schoesler, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; Backlund; Campbell; Casada; Conway; Quall; Sheldon; Springer; Valle and Wood.

**Staff:** Kenny Pittman (786-7392).

**Background:** Over 1,500 high technology firms currently do business in the state of Washington. These firms include aerospace, medical device manufacturers, electronics companies, biotechnology, computer hardware manufacturers, environmental firms and computer software companies. Excluding the aerospace industry, high technology firms provide over 100,000 direct jobs in Washington.

Those most concerned about Washington's economy suggest that the fostering and development of high technology businesses is necessary to assure the overall growth and stability of the state's economy. A number of states have established science and technology advisory councils as mechanisms for evaluating, developing and implementing state-wide policies that seek to encourage the growth and development of the high technology industries within their states. These councils usually consist of representatives from industry, academia and government agencies.

**Summary of Amended Bill:** The Department of Community, Trade and Economic Development is directed to develop a state-wide technology strategy. The department must address policies related to: strengthening partnerships between industry, academia and government; developing a work force for technology-based industries; identifying capital funding options for technology-based industries; creating incentives for the start-up of technology-based industries; and expanding and coordinating industrial modernization, technology transfer and product development programs within the state.

In conducting the state-wide technology strategy, the department must examine the performance and cost-effectiveness of existing state technology programs. The examination must include a review of the Washington Technology Center, the organizational structure of state technology programs in meeting the needs of high-technology businesses, the patent and royalty percentages to professors and scientists at public colleges or universities, the ownership and possession of patents to professors working at public colleges or universities, and the impact of having state research universities conduct more applied research and less basic research in state-supported technology centers.

The state-wide technology strategy must be submitted to the Executive-Legislative Committee on Economic Development for review.

**Amended Bill Compared to Second Substitute Bill:** The amended bill limits the department's examination of the impact of having state research universities conduct more applied research and less basic research to state-supported technology centers. Technology-based industries are defined.

**Fiscal Note:** Available.

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

**Testimony For:** The state has developed a variety of programs. It is time to find out if the programs are meeting the needs of the businesses they were developed to serve. The process involved in developing the technology strategy will allow us to find out what industry needs and then tailor our efforts to meet them.

**Testimony Against:** None.

**Witnesses:** Senator Sylvia Skratek, prime sponsor (pro).