25HB 2498 - S COMM AMD

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28 29 By Committee on International Trade & Economic Development

ADOPTED 03/01/2006

1 Strike everything after the enacting clause and insert the 2 following:

3 "Sec. 1. RCW 43.330.090 and 2005 c 136 s 14 are each amended to 4 read as follows:

(1) The department shall work with private sector organizations, industry and cluster associations, federal agencies, state agencies that use a cluster-based approach to service delivery, governments, local associate development organizations, and higher education and training institutions ((to assist)) in the development of industry cluster-based strategies to diversify the economy, facilitate technology transfer and diffusion, and increase value-added production ((by focusing on targeted sectors)). The industry clusters targeted ((sectors)) by the department may include, but are not limited to, ((software, forest products, biotechnology, environmental industries, recycling markets and waste reduction, aerospace, food processing, tourism, film and video, microelectronics, new materials, robotics, and machine tools)) aerospace, agriculture, food processing, forest products, marine services, health and biomedical, software, digital and interactive media, transportation and distribution, and microelectronics. The department shall, on a continuing basis, evaluate the potential return to the state from devoting additional resources to ((a targeted sector's)) an industry cluster-based approach to economic development and ((including)) identifying and assisting additional ((sectors in its efforts)) clusters. The department shall use information gathered in each service delivery region in formulating its ((sectoral)) industry cluster-based strategies and ((in designating new targeted sectors)) shall assist local communities in identifying regional industry clusters and developing industry cluster-based strategies.

1 (2) The department shall pursue a coordinated program to expand the 2 tourism industry throughout the state in cooperation with the public 3 and private tourism development organizations. The department, in 4 operating its tourism program, shall:

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- (a) Promote Washington as a tourism destination to national and international markets to include nature-based and wildlife viewing tourism;
- (b) Provide information to businesses and local communities on tourism opportunities that could expand local revenues;
- 10 (c) Assist local communities to strengthen their tourism 11 partnerships, including their relationships with state and local 12 agencies;
- (d) Provide leadership training and assistance to local communities to facilitate the development and implementation of local tourism plans;
 - (e) Coordinate the development of a statewide tourism and marketing plan. The department's tourism planning efforts shall be carried out in conjunction with public and private tourism development organizations including the department of fish and wildlife and other appropriate agencies. The plan shall specifically address mechanisms for: (i) Funding national and international marketing and nature-based tourism efforts; (ii) interagency cooperation; and (iii) integrating the state plan with local tourism plans.
- 24 (3) The department may, in carrying out its efforts to expand the 25 tourism industry in the state:
 - (a) Solicit and receive gifts, grants, funds, fees, and endowments, in trust or otherwise, from tribal, local or other governmental entities, as well as private sources, and may expend the same or any income therefrom for tourism purposes. All revenue received for tourism purposes shall be deposited into the tourism development and promotion account created in RCW 43.330.094;
 - (b) Host conferences and strategic planning workshops relating to the promotion of nature-based and wildlife viewing tourism;
 - (c) Conduct or contract for tourism-related studies;
- 35 (d) Contract with individuals, businesses, or public entities to 36 carry out its tourism-related activities under this section;
- 37 (e) Provide tourism-related organizations with marketing and other 38 technical assistance;

1 (f) Evaluate and make recommendations on proposed tourism-related 2 policies.

- (4)(a) The department shall promote, market, and encourage growth in the production of films and videos, as well as television commercials within the state; to this end the department is directed to assist in the location of a film and video production studio within the state.
- (b) The department may, in carrying out its efforts to encourage film and video production in the state, solicit and receive gifts, grants, funds, fees, and endowments, in trust or otherwise, from tribal, local, or other governmental entities, as well as private sources, and may expend the same or any income therefrom for the encouragement of film and video production. All revenue received for such purposes shall be deposited into the film and video promotion account created in RCW 43.330.092.
- (5) In assisting in the development of ((a targeted sector)) regional and statewide industry cluster-based strategies, the department's activities ((may)) shall include, but are not limited to:
- (a) ((Conducting)) Facilitating regional focus group discussions((7 facilitating meetings,)) and conducting studies to identify ((members of the sector)) industry clusters, appraise the current ((state of the sector)) information linkages within a cluster, and identify issues of common concern within ((the sector)) a cluster;
- (b) Supporting ((the formation of)) industry and cluster associations, publications of association and cluster directories, and related efforts to create or expand the activities (($\frac{1}{1}$)) of industry and cluster associations;
- (c) ((Assisting in the formation of flexible networks by providing (i) agency employees or private sector consultants trained to act as flexible network brokers and (ii) funding for potential flexible network participants for the purpose of organizing or implementing a flexible network;
 - (d) Helping establish research consortia;
- 34 (e) Facilitating joint training and education programs;
- 35 (f) Promoting cooperative market development activities;
- 36 (g) Analyzing the need, feasibility, and cost of establishing
 37 product certification and testing facilities and services; and

(h) Providing for methods of electronic communication and information dissemination among firms and groups of firms to facilitate network activity)) Administering a competitive grant program to fund activities designed to further regional cluster growth. In administering the program, the department shall work with an industry cluster advisory committee with equal representation from the work force training and education coordinating board, the state board for community and technical colleges, the employment security department, business, and labor.

- (i) The industry cluster advisory committee shall recommend criteria for evaluating applications for grant funds and recommend applicants for receipt of grant funds.
 - (ii) Applicants must include organizations from at least two counties and participants from the local business community. Eliqible organizations include, but are not limited to, local governments, economic development councils, chambers of commerce, federally recognized Indian tribes, work force development councils, and educational institutions.
- 19 <u>(iii) Applications must evidence financial participation of the</u> 20 partner organizations.
 - (iv) Priority shall be given to applicants which will use the grant funds to build linkages and joint projects, to develop common resources and common training, and to develop common research and development projects or facilities.
 - (v) The maximum amount of a grant is one hundred thousand dollars.
 - (vi) A maximum of one hundred thousand dollars total can go to King, Pierce, Kitsap, and Snohomish counties combined.
- 28 <u>(vii) No more than ten percent of funds received for the grant</u>
 29 program may be used by the department for administrative costs.
- 30 (6) As used in subsection (5) of this section, "industry cluster"
 31 means a geographic concentration of interdependent competitive firms
 32 that do business with each other. "Industry cluster" also includes
 33 firms that sell inside and outside of the geographic region as well as
 34 support firms that supply raw materials, components, and business
 35 services."

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On page 1, line 1 of the title, after "development;" strike the remainder of the title and insert "and amending RCW 43.330.090."

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