

# HOUSE BILL REPORT

## ESSB 6472

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*As Reported By House Committee on:  
Trade & Economic Development*

**Title:** An act relating to the Washington technology center.

**Brief Description:** Providing for changes to the Washington Technology Center.

**Sponsor(s):** Senate Committee on Commerce & Labor (originally sponsored by Senators Bluechel, Gaspard, McDonald, Matson and Cantu).

**Brief History:**

Reported by House Committee on:  
Trade & Economic Development, February 25, 1992, DPA.

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**HOUSE COMMITTEE ON  
TRADE & ECONOMIC DEVELOPMENT**

**Majority Report:** *Do pass as amended.* Signed by 11 members: Representatives Cantwell, Chair; Sheldon, Vice Chair; Forner, Ranking Minority Member; Betrozoff, Assistant Ranking Minority Member; Ferguson; Kremen; Ludwig; Moyer; Rasmussen; Riley; and Roland.

**Staff:** Charlie Gavigan (786-7340).

**Background:**

In Washington State, several organizations play a role in public technology development and commercialization efforts. The University of Washington and Washington State University do an extensive amount of basic research, most of which is funded by the federal government. Both universities have offices that attempt to identify and protect research that has commercial potential.

In 1983, the Legislature created the Washington Technology Center (WTC) to form a university-industry-government partnership to conduct research that has a greater likelihood of being commercially applicable than traditional research done solely by a university. The WTC is headquartered at the University of Washington and is administered by a board of directors appointed by the University of Washington (UW) Board of Regents. State funding for the WTC is administered by the Department of

Trade and Economic Development. Since its inception, the WTC has received approximately \$47 million from the state.

The WTC is comprised of seven "centers" - five at UW, two at Washington State University - and two "sub-centers." The seven centers are: (1) the Advanced Materials Technology Center; (2) the Compound Semiconductor Technology Center; (3) the Computer Systems and Software Technology Center; (4) the Manufacturing Systems Technology Center; (5) the Medical/Veterinary Biotechnology Center; (6) the Microsensor Technology Center; and (7) the Plant Biotechnology Center. The two sub-centers are the Human Interface Technology Center and the Center for Design of Analog-Digital Integrated Circuits.

The Department of Trade and Economic Development, as directed by the Legislature, recently completed two reports addressing the issues of the state role in technology development and commercialization and an assessment of the Washington Technology Center. The Washington Technology Center Assessment, done through Battelle, concludes that the Washington Technology Center is a viable organization and makes several recommendations including: (1) that the WTC develop a strategic plan; (2) that the WTC give increased emphasis to technology commercialization and transfer; (3) that the WTC respond to its mandate for education and training; (4) that the WTC increase accountability; (5) that the WTC evaluate the number of centers and strongly consider reducing that number to better utilize limited resources; (6) that the WTC build direct lines of communication between the universities, industry, and state government; and (7) that the WTC operations and organizational structure be refined.

***Summary of Amended Bill:***

The enabling legislation creating the Washington Technology Center (WTC) is modified.

The mission of the WTC is to perform research and to help commercialize research which benefits the intermediate and long-term economic vitality of the state of Washington. In addition, the WTC is to develop and strengthen university-industry relationships through conducting research that primarily benefits Washington-based companies.

The WTC is administered by the board of directors of the WTC. The members of the board consist of 14 industry representatives, nine university representatives, the executive director of the Spokane Intercollegiate Research and Technology Institute, the UW provost, and the director of the Department of Trade and Economic Development. The

board members are appointed by the governor based on the recommendations of the existing board of the WTC, the research universities and the high technology industry.

The University of Washington and Washington State University provide the staff, faculty and facilities required to support the operation of the WTC.

Professors involved in research at the WTC are credited for their participation in projects at the WTC when these individuals are considered for promotion, salary adjustments, and tenure. Patent work receives the same consideration as publishing in academic or professional journals.

The Department of Trade and Economic Development contracts with and provides guidance to the WTC regarding the expenditure of state appropriated funds.

The WTC undergoes a sunset review in 1996.

**Amended Bill Compared to Engrossed Substitute Bill:** The Senate bill provides for an independent WTC board; the amendment maintains control of the board with the University of Washington regents. The amendment adds a sunset provision.

**Fiscal Note:** Not requested.

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

**Testimony For:** None.

**Testimony Against:** Although the mission and role of the Washington Technology Center board should be clarified in statute, the Washington Technology Center Board should remain under the UW Board of Regents, not be independent. The sunset provision may negatively impact the WTC's ability to work with industry.

**Witnesses:** Bob Edie, University of Washington (con original bill); and Max Gellert, Washington Technology Center (con original bill).