

2SHB 1234 - S COMM AMD

By Committee on Economic Development

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

3 "NEW SECTION. **Sec. 1.** The legislature finds that the use of  
4 industrial clusters as a descriptive tool can provide a clear  
5 understanding of the relationships between firms that drive the local  
6 economy. An industry cluster is a group of complementary, competing,  
7 and interdependent firms that represent the entire value chain of a  
8 broadly defined industry from suppliers to end products, including  
9 supporting services and specialized infrastructure. The legislature  
10 further finds that (1) cluster-based economic analysis is a tool for  
11 understanding industry dynamics; (2) the purpose of cluster analysis is  
12 to identify those areas of the economy in which a region has or might  
13 develop a comparative advantage and to develop short and long-term  
14 strategies for growing the regional economy; and (3) using cluster  
15 analysis in the development of economic development strategies  
16 highlights opportunities for coordination and improvement in areas of  
17 mutual concern to firms without threatening or distorting competition.  
18 It is the intent of the legislature that the department of community,  
19 trade, and economic development use a cluster-based economic analysis  
20 in the development and delivery of economic development services in the  
21 state.

22 **Sec. 2.** RCW 43.330.090 and 2003 c 153 s 2 are each amended to read  
23 as follows:

24 (1) The department shall work with private sector organizations,  
25 industry and cluster associations, federal agencies, state agencies,  
26 local governments, local associate development organizations, and  
27 higher education and training institutions (~~to assist~~) in the  
28 development of industry cluster-based strategies to diversify the  
29 economy, facilitate technology transfer and diffusion, and increase

1 value-added production (~~((by focusing on targeted sectors))~~). The  
2 initial industry clusters targeted (~~((sectors))~~) by the department may  
3 include, but are not limited to, software, forest products,  
4 biotechnology, environmental (~~((industries))~~) technology, recycling  
5 markets and waste reduction, aerospace, photonics, food processing,  
6 tourism, film and video, microelectronics, new materials, robotics, and  
7 machine tools. The department shall, on a continuing basis, evaluate  
8 the potential return to the state from devoting additional resources to  
9 (~~((a targeted sector's))~~) an industry cluster-based approach to economic  
10 development and (~~((including))~~) identifying and assisting additional  
11 (~~((sectors in its efforts))~~) clusters. The department shall use  
12 information gathered in each service delivery region in formulating its  
13 (~~((sectoral))~~) industry cluster-based strategies (~~((and in designating new~~  
14 ~~targeted sectors))~~).

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

19 (a) Promote Washington as a tourism destination to national and  
20 international markets to include nature-based and wildlife viewing  
21 tourism;

22 (b) Provide information to businesses and local communities on  
23 tourism opportunities that could expand local revenues;

24 (c) Assist local communities to strengthen their tourism  
25 partnerships, including their relationships with state and local  
26 agencies;

27 (d) Provide leadership training and assistance to local communities  
28 to facilitate the development and implementation of local tourism  
29 plans;

30 (e) Coordinate the development of a statewide tourism and marketing  
31 plan. The department's tourism planning efforts shall be carried out  
32 in conjunction with public and private tourism development  
33 organizations including the department of fish and wildlife and other  
34 appropriate agencies. The plan shall specifically address mechanisms  
35 for: (i) Funding national and international marketing and nature-based  
36 tourism efforts; (ii) interagency cooperation; and (iii) integrating  
37 the state plan with local tourism plans.

1 (3) The department may, in carrying out its efforts to expand the  
2 tourism industry in the state:

3 (a) Solicit and receive gifts, grants, funds, fees, and endowments,  
4 in trust or otherwise, from tribal, local or other governmental  
5 entities, as well as private sources, and may expend the same or any  
6 income therefrom for tourism purposes. All revenue received for  
7 tourism purposes shall be deposited into the tourism development and  
8 promotion account created in RCW 43.330.094;

9 (b) Host conferences and strategic planning workshops relating to  
10 the promotion of nature-based and wildlife viewing tourism;

11 (c) Conduct or contract for tourism-related studies;

12 (d) Contract with individuals, businesses, or public entities to  
13 carry out its tourism-related activities under this section;

14 (e) Provide tourism-related organizations with marketing and other  
15 technical assistance;

16 (f) Evaluate and make recommendations on proposed tourism-related  
17 policies.

18 (4) The department shall promote, market, and encourage growth in  
19 the production of films and videos, as well as television commercials  
20 within the state; to this end the department is directed to assist in  
21 the location of a film and video production studio within the state.

22 (5) In assisting in the development of (~~(a targeted sector)~~) its  
23 industry cluster-based strategies, the department's activities may  
24 include, but are not limited to:

25 (a) Conducting focus group discussions, facilitating meetings, and  
26 conducting studies to identify (~~(members of the sector)~~) industry  
27 clusters, appraise the current (~~(state of the sector)~~) information  
28 linkages within a cluster, and identify issues of common concern within  
29 (~~(the sector)~~) a cluster;

30 (b) Supporting the formation of industry and cluster associations,  
31 publications of association directories, and related efforts to create  
32 or expand the activities (~~(or)~~) of industry and cluster associations;

33 (~~(Assisting in the formation of flexible networks by providing~~  
34 ~~(i) agency employees or private sector consultants trained to act as~~  
35 ~~flexible network brokers and (ii) funding for potential flexible~~  
36 ~~network participants for the purpose of organizing or implementing a~~  
37 ~~flexible network;~~

1       ~~(d)~~) Helping establish research consortia;  
2       ~~((e))~~ (d) Facilitating joint training and education programs;  
3       ~~((f))~~ (e) Promoting cooperative market development activities;  
4       ~~((g))~~ (f) Analyzing the need, feasibility, and cost of  
5 establishing product certification and testing facilities and services;  
6 and  
7       ~~((h))~~ (g) Providing for methods of electronic communication and  
8 information dissemination among firms and groups of firms to facilitate  
9 ~~((network))~~ industry cluster activity."

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10       On page 1, line 1 of the title, after "development;" strike the  
11 remainder of the title and insert "amending RCW 43.330.090; and  
12 creating a new section."

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