

SENATE BILL REPORT

2SHB 1003

As Reported By Senate Committee On:
Technology & Communications, April 3, 2003

Title: An act relating to investing in technology and biotechnical research and technology transfer.

Brief Description: Creating the research and technology transfer commission.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Morris, Linville, Wood, Anderson, O'Brien and Sullivan).

Brief History:

Committee Activity: Technology & Communications: 3/20/03, 4/3/03 [DPA].

SENATE COMMITTEE ON TECHNOLOGY & COMMUNICATIONS

Majority Report: Do pass as amended.

Signed by Senators Esser, Chair; Finkbeiner, Vice Chair; Reardon, Schmidt and Stevens.

Staff: William Bridges (786-7424)

Background: The Washington Technology Center (WTC) is a state science and technology organization. It is administered by a board of directors appointed by the Governor that includes 14 industry members, eight university members, and four ex officio members.

The mission of the WTC is "to perform and commercialize research on a statewide basis that benefits the intermediate and long-term economic vitality of the state of Washington, and to develop and strengthen university-industry relationships through the conduct of research that is primarily of interest to Washington-based companies or state economic development programs." Among its statutory duties, the WTC must provide leading edge collaborative research and technology transfer opportunities primarily to state industries.

Summary of Amended Bill: The WTC must make strategic assessments of the types of state investments in research and technology in Washington most likely to (1) create jobs and business opportunities, and (2) produce long-term improvements to the public health of Washington citizens.

The WTC board must establish a process, including a peer review committee, for awarding innovation grants to qualifying universities, institutions, or individuals. In awarding innovation grants, the board must (1) use the WTC's strategic assessments to guide its decisions, and (2) balance research and commercialization. The WTC may not be a direct recipient of an innovation grant.

The Investing in Innovation Account is created. No more than 1 percent of available funds may be used for the administrative costs of the innovation grant program. Up to 50 percent

of available funds may be used to support commercialization opportunities for research in the state.

Terms are defined and a reporting requirement to the Legislature is specified.

Amended Bill Compared to Second Substitute Bill: The Research and Technology Transfer Commission is removed and many of its duties are transferred to the Washington Technology Center and its board of directors. The WTC board must establish a process, including a peer review committee, for awarding innovation grants to qualifying universities, institutions, or individuals. In awarding the grants, the board must balance research and commercialization. The WTC may not be a direct recipient of an innovation grant. The percentage of available funds in the Investing in Innovation Account that may be used for commercialization opportunities is raised. The scope of the grant program is broadened. Definitions are added.

Appropriation: None.

Fiscal Note: Available on original and substitute bills.

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

Testimony For: The commission created in this bill will be a valuable tool to leverage the transition from technology research to commercialization. It will also help leverage federal research money and private investment. The bill will also improve access to capital, which is of high concern to the technology companies. The bill has no appropriation; it only sets up an account to be funded later. The commission will have legislative members from the technology and health committees, which will help keep the Legislature informed about the biomedical and technology sectors of the state's economy.

Testimony Against: None.

Testified: Rep. Morris, prime sponsor (pro); Lee Cheatham, Wash. Technology Center (pro).