HOUSE BILL REPORT

HB 1776

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

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

Brief Description: Creating the office of science and technology.

Sponsors: Representatives Wineberry, Ballard, Jacobsen, Wood, Finkbeiner, Reams, Ogden, Vance, Peery, Cooke, Dorn, Johanson, R. Meyers, Campbell, Miller, Brough, Horn, Long, Foreman, J. Kohl and Forner.

Brief History:

Reported by House Committee on:

Trade, Economic Development & Housing, February 24, 1993, DPS;

Appropriations, March 6, 1993, DPS(TEH-A APP).

HOUSE COMMITTEE ON TRADE, ECONOMIC DEVELOPMENT & HOUSING

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 14 members: Representatives Wineberry, Chair; Shin, Vice Chair; Forner, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; Campbell; Casada; Conway; Morris; Quall; Schoesler; Sheldon; Springer; Valle; and Wood.

Staff: Charlie Gavigan (786-7340).

Background: A key ingredient necessary for Washington state to successfully compete in the global economy is the ability to develop and commercialize new technology and to better apply existing technology. The development and commercialization of technology is a complex and time-consuming process. Only after a new product or process is successfully marketed, resulting in jobs and capital, are economic benefits from technology development achieved. In Washington State, several organizations play a significant role in public technology development efforts.

In 1991, two reports were done by Battelle for the Department of Trade and Economic Development: (1) a <u>Publicly Funded Technology and Product Development</u>

Assessment; and (2) a Washington Technology Center
Assessment. Both reports discuss the need for state
involvement in developing an overall strategy for technology
development and commercialization in Washington State and
for coordinating publicly funded efforts in this area. In
1993, the governor's Task Force on Energy, Technology and
Telecommunications included in its recommendations the
creation of a senior technical advisor position and a
technology council to develop technology strategies for the
state.

Summary of Substitute Bill: The Office of Science and Technology is created within the Department of Trade and Economic Development (DTED). DTED's special assistant for technology administers the office. The special assistant's duties include: chairing the science and technology advisory council; assisting in the development and implementation of statewide science and technology policies; advising the governor and other state agencies on the use of new and emerging technologies within state government; providing oversight of all publicly funded technology transfer programs in the state; and acting as a liaison to the Higher Education Coordinating Board, the Work Force Training and Education Coordinating Board and other commissions and state agencies interested in the development and implementation of science and technology policies.

The Office of Science and Technology has the responsibility to: provide linkages to federal programs and funding for research and development efforts in the state; represent the state in communications with the federal office of science and technology policy; participate in the formation of a statewide advanced technology network; act as a clearinghouse for small and medium-sized businesses seeking information on technology transfer and industrial extension and modernization activities within the state; and to foster public understanding of the role of science and technology in modern society, thus encouraging more individuals to enter technical professions.

The Advisory Council on Science and Technology is created to develop statewide science and technology policies. The council is directed to specifically address policies related to: strengthening research and development partnerships between industry, academia and government; encouraging better appreciation for and understanding of math, science, and technology; developing a work force educated and skilled to work in technology-based businesses; identifying capital funding options for technology-based companies; creating incentives for the start up of technology-based businesses; and expanding and coordinating industrial modernization and technology transfer programs within the state. The council

submits policies to the governor and the Legislature for review and adoption. The council consists of representatives from industry, academia, federally and privately operated laboratories, and state agencies. The members are appointed by the governor.

Substitute Bill Compared to Original Bill: The science advisor and advisory council are to encourage appreciation for and understanding of math, science, and technology. The science advisor, a new full-time employee, is replaced by the existing special assistant for technology in the Department of Trade and Economic Development. The governor is given more flexibility in making appointments of industry representatives to the advisory council. The programs on information technology at the Department of Information Services (DIS) are not to be duplicated.

Fiscal Note: Requested February 24, 1993 for substitute bill.

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

Testimony For: Science and technology are key to the economy of Washington state. There needs to be more coordination of public and private programs. A state science and technology strategy should be developed jointly by the public and private sector.

Testimony Against: None.

Witnesses: (all pro) Edward Wenk, Jr., University of Washington; Patrick Quarles, Optimex; and Ian MacGowan, American Electronics Association.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill by Committee on Trade, Economic Development & Housing be substituted therefor and the substitute bill as amended by Committee on Appropriations do pass. Signed by 25 members: Representatives Locke, Chair; Valle, Vice Chair; Silver, Ranking Minority Member; Carlson, Assistant Ranking Minority Member; Appelwick; Ballasiotes; Basich; Cooke; Dellwo; Dorn; Dunshee; G. Fisher; Jacobsen; Lemmon; Linville; Peery; Rust; Sehlin; Sheahan; Sommers; Stevens; Talcott; Wang; Wineberry; and Wolfe.

Staff: Susan Nakagawa (786-7145).

Summary of Recommendation of Committee on Appropriations Compared to Recommendation of Committee on Trade, Economic Development & Housing: The requirement that an Office of Science and Technology be created within the Department of Trade and Economic Development is eliminated. Instead, subject to receipt of gifts, grants, or donations, the department is authorized to work with the private sector to undertake the same responsibilities and functions that the bill originally required of the office. The department is authorized to form an advisory council, but is no longer required to do so. The language outlining the responsibilities of the council is deleted. The section outlining the responsibilities of the special assistant for technology is deleted. Expenses of the council are required to be supported from a newly created science and technology support account. The account is non-appropriated and funded by gifts, grants, and donations in support of the activities undertaken for science and technology policy.

Fiscal Note: Requested February 24, 1993.

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

Testimony For: Coordination of public and private programs to foster technology and science policy is important. Creation of an office would enable business, research institutions, academia, and government to coordinate and develop a statewide strategy for technology and science development. Business supports this concept and will work to offer technical and financial support of the goals of this legislation.

Testimony Against: None.

Witnesses: Barbara Campbell, Department of Trade and Economic Development (pro); and Ian MacGowan, American Electronics Association.