

FINAL BILL REPORT

2SHB 1003

PARTIAL VETO

C 403 L 03

Synopsis as Enacted

Brief Description: Establishing the investing in innovation grants program.

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

House Committee on Technology, Telecommunications & Energy

House Committee on Appropriations

Senate Committee on Technology & Communications

Background:

Several factors are necessary to produce a desirable environment for a strong biotechnology and technology industry. Washington State and the Seattle area have been in a strong position to attract and retain technology companies. The State's strong technology research capability and an existing technology industry infrastructure are factors that are noted when compared to other areas.

Technology research is funded by a variety of sources. Basic biomedical research is funded by the National Institutes of Health. Pharmaceutical companies and their investors fund applied research and commercialization of new medicines and medical technologies. The U.S. Department of Energy provides funds for research in energy technology.

The Washington Technology Center (WTC) facilitates collaboration between the state's research universities and the technology industry. Its mission is to assist Washington companies in overcoming the technical challenges of product development by linking them with the scientific and engineering resources of the state's universities. The WTC is administered by a board of directors (Board) appointed by the Governor that includes 14 industry members, eight university members and four ex officio members. Included in its duties are establishing priorities for the selection and funding of research projects as well as approving and allocating funding for research projects conducted by the WTC.

Summary:

The Investing in Innovation Grants Program (Program) is established and is administered by the Washington Technology Center (WTC). The Board must develop criteria for grant awards that may be given to qualifying universities, institutions, businesses, and

individuals. The Board must also establish a competitive process for awarding grants, including a peer review process involving board members, scientists, engineers and individuals with specific recognized expertise.

The WTC must make periodic strategic assessments of state investments in research and technology that will likely create jobs and business opportunities and produce long-term improvements to health and the lives of the state's citizens. These assessments are used to guide the awarding of research and commercialization grants.

In awarding grants, the Board must give priority to those proposals that leverage additional public and private funds. The Board must seek to balance research and commercialization grants.

Not more than 1 percent of available funds may be used to administer the Program.

The Investing in Innovation Account (Account) is created. The Account is non-appropriated and the interest earned on the money in the Account is retained by the Account. Up to 50 percent of available funds from this Account may be used to support commercialization opportunities.

The Board must establish benchmarks for the Program and periodically review the Program. The Board must report findings of Program reviews to appropriate standing committees of the Legislature.

Votes on Final Passage:

House 81 13
Senate 48 0 (Senate amended)
House 87 10 (House concurred)

Effective: July 27, 2003

Partial Veto Summary: The Governor vetoed the provisions creating the Investing in Innovation Account.