
HOUSE BILL 2052

State of Washington 59th Legislature 2005 Regular Session

By Representatives Blake, Kilmer, Linville, McCoy and P. Sullivan

Read first time 02/16/2005. Referred to Committee on Economic Development, Agriculture & Trade.

1 AN ACT Relating to cluster-based economic development; amending RCW
2 43.330.090; and creating a new section.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

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

1 trade, and economic development use a cluster-based economic analysis
2 in the development and delivery of economic development services in the
3 state.

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

6 (1) The department shall work with private sector organizations,
7 industry and cluster associations, federal agencies, state agencies,
8 local governments, local associate development organizations, and
9 higher education and training institutions ~~((to assist))~~ in the
10 development of industry cluster-based strategies to diversify the
11 economy, facilitate technology transfer and diffusion, and increase
12 value-added production ~~((by focusing on targeted sectors))~~. The
13 initial industry clusters targeted ~~((sectors))~~ by the department may
14 include, but are not limited to, software, forest products,
15 biotechnology, environmental ~~((industries))~~ technology, recycling
16 markets and waste reduction, aerospace, photonics, food processing,
17 tourism, film and video, microelectronics, new materials, robotics, and
18 machine tools. The department shall, on a continuing basis, evaluate
19 the potential return to the state from devoting additional resources to
20 ~~((a targeted sector's))~~ an industry cluster-based approach to economic
21 development and ~~((including))~~ identifying and assisting additional
22 ~~((sectors in its efforts))~~ clusters. The department shall use
23 information gathered in each service delivery region in formulating its
24 ~~((sectoral))~~ industry cluster-based strategies ~~((and in designating new~~
25 ~~targeted sectors))~~.

26 (2) The department shall pursue a coordinated program to expand the
27 tourism industry throughout the state in cooperation with the public
28 and private tourism development organizations. The department, in
29 operating its tourism program, shall:

30 (a) Promote Washington as a tourism destination to national and
31 international markets to include nature-based and wildlife viewing
32 tourism;

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

35 (c) Assist local communities to strengthen their tourism
36 partnerships, including their relationships with state and local
37 agencies;

1 (d) Provide leadership training and assistance to local communities
2 to facilitate the development and implementation of local tourism
3 plans;

4 (e) Coordinate the development of a statewide tourism and marketing
5 plan. The department's tourism planning efforts shall be carried out
6 in conjunction with public and private tourism development
7 organizations including the department of fish and wildlife and other
8 appropriate agencies. The plan shall specifically address mechanisms
9 for: (i) Funding national and international marketing and nature-based
10 tourism efforts; (ii) interagency cooperation; and (iii) integrating
11 the state plan with local tourism plans.

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

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

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

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

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

25 (e) Provide tourism-related organizations with marketing and other
26 technical assistance;

27 (f) Evaluate and make recommendations on proposed tourism-related
28 policies.

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

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

36 (a) Conducting focus group discussions, facilitating meetings, and
37 conducting studies to identify (~~(members of the sector)~~) industry

1 clusters, appraise the current ~~((state of the sector))~~ information
2 linkages within a cluster, and identify issues of common concern within
3 ~~((the sector))~~ a cluster;

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

7 ~~((c))~~ ~~((Assisting in the formation of flexible networks by providing~~
8 ~~(i) agency employees or private sector consultants trained to act as~~
9 ~~flexible network brokers and (ii) funding for potential flexible~~
10 ~~network participants for the purpose of organizing or implementing a~~
11 ~~flexible network;~~

12 ~~((d))~~ Helping establish research consortia;

13 ~~((e))~~ (d) Facilitating joint training and education programs;

14 ~~((f))~~ (e) Promoting cooperative market development activities;

15 ~~((g))~~ (f) Analyzing the need, feasibility, and cost of
16 establishing product certification and testing facilities and services;
17 and

18 ~~((h))~~ (g) Providing for methods of electronic communication and
19 information dissemination among firms and groups of firms to facilitate
20 ~~((network))~~ industry cluster activity.

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