

SB 5329 - DIGEST

(AS OF SENATE 2ND READING 1/20/06)

Finds that the use of industrial clusters as a descriptive tool can provide a clear understanding of the relationships between firms that drive the local economy. An industry cluster is a group of complementary, competing, and interdependent firms that represent the entire value chain of a broadly defined industry from suppliers to end products, including supporting services and specialized infrastructure.

Finds that: (1) Cluster-based economic analysis is a tool for understanding industry dynamics;

(2) The purpose of cluster analysis is to identify those areas of the economy in which a region has or might develop a comparative advantage and to develop short and long-term strategies for growing the regional economy; and

(3) Using cluster analysis in the development of economic development strategies highlights opportunities for coordination and improvement in areas of mutual concern to firms without threatening or distorting competition

Declares an intent that the department of community, trade, and economic development use a cluster-based economic analysis in the development and delivery of economic development services in the state.