
**Community & Economic
Development & Trade Committee**

HB 1091

Brief Description: Promoting innovation partnership zones.

Sponsors: Representatives VanDeWege, Chase, Upthegrove, Miloscia, B. Sullivan, O'Brien, P. Sullivan, Morrell, Sells, Kenney, Rolfes, Kelley, Moeller, Wallace and Eddy; by request of Governor Gregoire.

<p>Brief Summary of Bill</p> <ul style="list-style-type: none">• Creates innovation partnership zones.

Hearing Date: 1/24/07

Staff: Tracey Taylor (786-7196).

Background:

In 2006, the Governor's Global Competitiveness Council (Council) issued their report "Rising to the Challenge of Global Competition." The Council's Research and Innovation Committee (Committee) Report found that research and innovation creates a cycle of development that yields increased living standards and globally competitive businesses. The Committee and Council proposed a broad 10-year plan that connects the importance of strong research and innovation with the creation of jobs, healthy economic growth and a high standard of living and broad opportunity throughout the state's economy, reaching people of all backgrounds and in all the state's geographic locations.

Summary of Bill:

The Director of the Department of Community, Trade and Economic Development (DCTED) may designate areas in Washington as an "Innovation Partnership Zone" (IPZ).

In order to be designated an IPZ, an area must have three types of institutions within their boundaries: a university or college fostering commercially valuable research or a national

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laboratory; the dense proximity of globally competitive firms in a research-based industry or industries; and training capacity either within the IPZ or readily accessible to the IPZ. In addition, the IPZ must have identifiable boundaries that contain dense concentrations of leading companies, research capacity and skills, or show evidence of planning and partnerships that will produce such concentrations within an identifiable period of time. An IPZ must be sufficiently small and distinct so that workers and companies have a unique affinity for the area with the IPZ. Also, an IPZ must include unused or otherwise potentially available property to allow for future expansion. Local zoning and economic conditions must provide evidence that such capacity for expansion exists. The IPZ must be administered by an Economic Development Council, port, Workforce Development Council, city or county.

Annually on October 1, the Director of the DCTED shall designate IPZs based on a review and evaluation of applications applying the legislative criteria, the estimated economic impact of the IPZ and the evidence of forward planning for the IPZ. The Director shall designate the IPZ Administrator. An IPZ designation shall be for a four-year period, after which the IPZ must reapply for the designation.

If the IPZ meets the other requirements of the fund source, then the IPZ may be eligible for the Local Infrastructure Financing Tool program, the sales and use tax for public facilities in rural counties and the Job Skills program.

The DCTED must convene an annual information sharing event for IPZ Administrators and other interested parties.

IPZs are required to provide performance measures as prescribed the DCTED. These measures must include, but are not limited to, private investment measures, job creation measures, and measures of innovation.

Appropriation: None.

Fiscal Note: Preliminary fiscal note available.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.