

E2SSB 6015 - H COMM AMD

By Committee on Community & Economic Development & Trade

NOT CONSIDERED 04/13/2009

1 Strike everything after the enacting clause and insert the
2 following:

3 NEW SECTION. **Sec. 1.** (1) Washington state is fortunate to have
4 a dynamic technology industry sector that benefits from vibrant global
5 demand for its output and that helps drive the state's economy.
6 Washington state is uniquely positioned to shape its future success in
7 innovation in the technology sectors of life sciences and high
8 technology. Nearly every state in the nation is competing to develop
9 a strong innovation economy. Washington has world-class research
10 institutions, entrepreneurial spirit and talent, an actively
11 collaborative community, and an existing foundational sector.

12 (2) To leverage its potential, the state must actively work to
13 create and ensure a supportive environment that enables entrepreneurial
14 people and companies to convert their innovative ideas into marketable
15 new products and services. Providing such an environment would:
16 Solidify Washington state as a global leader of knowledge and
17 technology commercialization; create more highly rewarding and well-
18 paying careers for Washington's citizens; grow more companies in new
19 and far-reaching markets; renew traditional industries through value-
20 added technology adaptation; and generate solid returns for Washington
21 state.

22 NEW SECTION. **Sec. 2.** (1) By December 1, 2009, the department of
23 community, trade, and economic development shall report to the governor
24 and the legislature on how the state can best encourage and support the
25 growth of innovation in the development and commercialization of
26 proprietary technology in the life sciences and information technology
27 industries.

28 (2) In consultation with life sciences trade and technology trade
29 associations, the department shall:

1 (a) Investigate and recommend strategies to increase the amount of
2 local or regional capital targeted to preseed, seed, and other early
3 stage investments in life sciences and information technology
4 companies;

5 (b) Examine state laws, rules, appropriations, and taxes related to
6 life sciences and information technology, identify barriers, and
7 recommend alternatives that will support growth of these industries;

8 (c) Evaluate the state's technology-based economic development
9 efforts and recommend any additional infrastructure needed to assist
10 companies at each stage of the business life cycle; and

11 (d) Review the status of technology transfer and commercialization
12 efforts by the state's public research universities.

13 (3) The department shall provide a draft report of its findings and
14 recommendations to the Washington state economic development
15 commission. The commission shall compare the recommendations in the
16 draft report to the overall direction and strategies related to life
17 sciences and information technology adopted in the state's
18 comprehensive economic development plan. The commission shall provide
19 written observations to the department on areas of alignment or
20 nonalignment between the report and the plan. The final report shall
21 include the commission's observations and shall reflect any changes
22 made to the report by the department in response to the commission's
23 comments.

24 (4) For purposes of the report: (a) "Life sciences" must include
25 but is not limited to: Medical devices and biotechnology as defined in
26 RCW 82.63.010; and (b) "information technology" must include but is not
27 limited to: Hardware, software, and internet infrastructure, that
28 address high potential emerging and growing markets.

29 (5) The life sciences and information technology industries must
30 provide fifty percent of the total resources required to accomplish the
31 purposes of this section. If the industries do not commit to the
32 department by August 1, 2009, that they will provide these resources,
33 then the requirements of this section are null and void.

34 (6) This section expires December 31, 2009."

35 Correct the title.

EFFECT: Defines "biotechnology" by referencing the definition in

the statute on tax deferrals for high technology businesses. Clarifies responsibilities and areas of examination for a December 1, 2009, report to the governor and legislature by the DCTED. Requires the life sciences and information technology industries to commit fifty percent of the total resources needed to accomplish the tasks and the report. Sets a deadline for this commitment, without which the requirements are null and void. Adds an expiration date. Changes an intent section reference from the state being a global "hotbed" to being a global "leader."

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