

2SSB 6790 - H COMM AMD

By Committee on Community & Economic Development & Trade

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

3 "Sec. 1. RCW 43.330.270 and 2009 c 72 s 1 are each amended to read
4 as follows:

5 (1) The department shall design and implement an innovation
6 partnership zone program through which the state will encourage and
7 support research institutions, workforce training organizations, and
8 globally competitive companies to work cooperatively in close
9 geographic proximity to create commercially viable products and jobs.

10 (2) The director shall designate innovation partnership zones on
11 the basis of the following criteria:

12 (a) Innovation partnership zones must have three types of
13 institutions operating within their boundaries, or show evidence of
14 planning and local partnerships that will lead to dense concentrations
15 of these institutions:

16 (i) Research capacity in the form of a university or community
17 college fostering commercially valuable research, nonprofit
18 institutions creating commercially applicable innovations, or a
19 national laboratory;

20 (ii) Dense proximity of globally competitive firms in a research-
21 based industry or industries or of individual firms with innovation
22 strategies linked to (a)(i) of this subsection. A globally competitive
23 firm may be signified through international organization for
24 standardization 9000 or 1400 certification, or other recognized
25 evidence of international success; and

26 (iii) Training capacity either within the zone or readily
27 accessible to the zone. The training capacity requirement may be met
28 by the same institution as the research capacity requirement, to the
29 extent both are associated with an educational institution in the
30 proposed zone.

1 (b) The support of a local jurisdiction, a research institution, an
2 educational institution, an industry or cluster association, a
3 workforce development council, and an associate development
4 organization, port, or chamber of commerce;

5 (c) Identifiable boundaries for the zone within which the applicant
6 will concentrate efforts to connect innovative researchers,
7 entrepreneurs, investors, industry associations or clusters, and
8 training providers. The geographic area defined should lend itself to
9 a distinct identity and have the capacity to accommodate firm growth;

10 (d) The innovation partnership zone administrator must be an
11 economic development council, port, workforce development council,
12 city, or county.

13 (3) With respect solely to the research capacity required in
14 subsection (2)(a)(i) of this section, the director may waive the
15 requirement that the research institution be located within the zone.
16 To be considered for such a waiver, an applicant must provide a
17 specific plan that demonstrates the research institution's unique
18 qualifications and suitability for the zone, and the types of jointly
19 executed activities that will be used to ensure ongoing, face-to-face
20 interaction and research collaboration among the zone's partners.

21 (4) On October 1st of each odd-numbered year, the director shall
22 designate innovation partnership zones on the basis of applications
23 that meet the legislative criteria, estimated economic impact of the
24 zone, evidence of forward planning for the zone, and other criteria as
25 recommended by the Washington state economic development commission.
26 Estimated economic impact must include evidence of anticipated private
27 investment, job creation, innovation, and commercialization. The
28 director shall require evidence that zone applicants will promote
29 commercialization, innovation, and collaboration among zone residents
30 and with applicable industry clusters.

31 (5) Innovation partnership zones are eligible for funds and other
32 resources as provided by the legislature, the department, or at the
33 discretion of the governor.

34 (6) If the innovation partnership zone meets the other requirements
35 of the fund sources, then the zone is eligible for the following
36 (~~(funds relating to)~~) state programs:

37 (a) The local infrastructure financing tools and the local
38 revitalization financing programs;

- 1 (b) The sales and use tax for public facilities in rural counties;
2 (~~and~~)
3 (c) Job skills; and
4 (d) The industry cluster grant program.

5 (7) An innovation partnership zone shall be designated as a zone
6 for a four-year period. At the end of the four-year period, the zone
7 must reapply for the designation through the department.

8 (8) If the director finds at any time after the initial year of
9 designation that an innovation partnership zone is failing to meet the
10 performance standards required in its contract with the department, the
11 director may withdraw such designation and cease state funding of the
12 zone.

13 (9) The department shall convene annual information sharing events
14 for innovation partnership zone administrators, industry clusters and
15 their associations, and other interested parties.

16 (10) An innovation partnership zone shall provide performance
17 measures as required by the director, including but not limited to
18 private investment measures, job creation measures, and measures of
19 innovation such as licensing of ideas in research institutions,
20 patents, or other recognized measures of innovation.

21 (11) The department shall compile a biennial report on the
22 innovation partnership zone program by December 1st of every even-
23 numbered year. The report shall provide information for each zone on
24 its: Objectives; funding, tax incentives, and other support obtained
25 from public sector sources; major activities; partnerships, including
26 connections with industry clusters; performance measures; and outcomes
27 achieved since the inception of the zone or since the previous biennial
28 report. The report shall also include the department's recommendations
29 for increasing the effectiveness of individual zones and the program
30 overall, including mechanisms for expanding and strengthening
31 connections between the zones and applicable industry clusters. The
32 Washington state economic development commission shall review the
33 department's draft report and make additional recommendations on ways
34 to increase the effectiveness of individual zones and the program
35 overall. The department shall submit the report, including the
36 commission's recommendations, to the governor and legislature beginning
37 December 1, 2010."

1 Correct the title.

EFFECT: Removes all sections of the underlying bill, so that the bill no longer: (1) Modifies the Industry Cluster Grant Program; (2) deletes Commerce responsibility for the Film and Video Program; or (3) makes Commerce responsibilities related to industry sector and cluster programs subject to available funds.

Amends the Innovation Partnership Zone statute to: (1) Make IPZs eligible for the Industry Cluster Grant Program and the Local Revitalization Financing Program; and (2) make more explicit the ways that applicable industry clusters are to be integrated into the application process and work of the IPZs.

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