

SENATE BILL REPORT

SSB 5982

As Amended by House, March 1, 2012

Title: An act relating to the joint center for aerospace technology innovation.

Brief Description: Creating the joint center for aerospace technology innovation.

Sponsors: Senate Committee on Economic Development, Trade & Innovation (originally sponsored by Senators Kastama, Shin, Hobbs, Harper, Eide, Kilmer, Conway, Sheldon, Haugen, Kohl-Welles, Frockt, Keiser, Fain, Tom, Chase and McAuliffe; by request of Governor Gregoire).

Brief History:

Committee Activity: Economic Development, Trade & Innovation: 1/19/12, 1/30/12 [DPS-WM, w/oRec].

Ways & Means: 2/02/12, 2/07/12 [DPS(EDTI), w/oRec].

Passed Senate: 2/11/12, 44-0.

Passed House: 3/01/12, 95-1.

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, TRADE & INNOVATION

Majority Report: That Substitute Senate Bill No. 5982 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Kastama, Chair; Chase, Vice Chair; Baumgartner, Ranking Minority Member; Ericksen, Hatfield, Holmquist Newbry, Kilmer and Shin.

Minority Report: That it be referred without recommendation.

Signed by Senator Zarelli.

Staff: Jack Brummel (786-7428)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Substitute Senate Bill No. 5982 as recommended by Committee on Economic Development, Trade & Innovation be substituted therefor, and the substitute bill do pass.

Signed by Senators Murray, Chair; Kilmer, Vice Chair, Capital Budget Chair; Zarelli, Ranking Minority Member; Baumgartner, Brown, Conway, Fraser, Harper, Hatfield, Hewitt,

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Holmquist Newbry, Honeyford, Kastama, Keiser, Kohl-Welles, Padden, Regala, Schoesler and Tom.

Minority Report: That it be referred without recommendation.

Signed by Senator Parlette, Ranking Minority Member Capital.

Staff: Maria Hovde (786-7710)

Background: Global competition in the aerospace industry has intensified in the past decades. In response, a number of states have developed mechanisms to strengthen academic/industry collaboration to support the aerospace industry. Advocates for increased growth of the aerospace industry in the state believe that Washington needs to become a global center for aerospace research, education, and technology transfer.

Summary of Substitute Bill: The Joint Center for Aerospace Technology Innovation is created to pursue joint industry-university research that can be used in aerospace firms, enhance the education of engineering students, and work with the aerospace industry to identify research needs and opportunities to transfer off-the-shelf technologies. The center is to operate as a multi-institutional center under the joint authority of the University of Washington and Washington State University.

The center will have a board of directors appointed by the Governor, representing a cross section of the aerospace industry and higher education. The board is to:

- hire an executive director;
- identify research areas to benefit the aerospace industry in Washington;
- identify entrepreneurial researchers and the steps the universities will take to recruit such researchers;
- assist firms to integrate existing technologies into their operations;
- align the center's activities with those of Impact Washington and Innovate Washington;
- ensure that students enrolled in an aerospace engineering curriculum have direct experience with aerospace firms;
- assist researchers and firms in guarding intellectual property;
- promote collaboration between industry and faculty; and
- develop non-state support for research.

By June 30, 2013, the board is to develop an operating plan that includes specifics on how the center will accomplish its duties. The board is to provide a biennial report to the Legislature and the Governor. The center may solicit funds from a variety of sources to carry out its obligations.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony as Heard in Committee (Economic Development, Trade & Innovation): PRO: This will further industry and academic collaboration and support a key industrial sector in the state. This would maintain Washington as a leader in aerospace. This is similar to what is done in other states and in Europe. The state needs to be more pro-active. This will supply a strong connection between the investment in education and employment. The closer coordination between internships and research and development is good. The board should have someone representing employees and knowledge of the labor market. The current academic programs in the state are not at scale to achieve needed progress.

Persons Testifying (Economic Development, Trade & Innovation): PRO: Stan Sorscher, Society of Professional Engineering Employees in Aerospace; Leslie Goldstein, Governor's Executive Policy Office; Vickie Christopherson, WA Aerospace Partnership; Nick Demerice, Dept. of Commerce.

Staff Summary of Public Testimony on Substitute as Passed by Economic Development, Trade & Innovation (Ways & Means): PRO: This bill is part of the Governor's Pegasus package, the focus of which is to make our universities the preeminent leaders in aerospace technology. In order to be a leader in aerospace we need to be a leader in innovation, and a research and development center will be a strong statement that Washington is a leader in innovation. This bill puts in place a public-private partnership with which the state can leverage private funds, and it will provide students with direct experience in the industry.

Persons Testifying (Ways & Means): PRO: Senator Jim Kastama, prime sponsor; Heidi Hughes, Governor's Executive Policy Office.

House Amendment(s): Requires that all public baccalaureate institutions have access to the facilities and resources of the center in order to meet aerospace industry needs; resources include internships, on-the-job training, and research opportunities for undergraduate and graduate students and faculty.

Adds a formal sunset review by the Joint Legislative Audit and Review Committee and termination of the center in 2015. Adds a null and void clause.