

# SENATE BILL REPORT

## SB 6518

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As of February 5, 2014

**Title:** An act relating to transferring technology-based economic development programs from Innovate Washington to the department of commerce.

**Brief Description:** Transferring technology-based economic development programs from Innovate Washington to the department of commerce.

**Sponsors:** Senator Chase; by request of Washington State Department of Commerce.

**Brief History:**

**Committee Activity:** Trade & Economic Development: 2/06/14.

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### SENATE COMMITTEE ON TRADE & ECONOMIC DEVELOPMENT

**Staff:** Edward Redmond (786-7471)

**Background:** In 2011 the Legislature created Innovate Washington as the successor agency to the Washington Technology Center and the Spokane Intercollegiate Research and Technology Institute to serve as the primary state agency focused on growing Washington's innovation-based economy and to respond to the technology transfer needs of existing businesses. Innovate Washington was created to:

- facilitate research and technology transfer opportunities supportive of state industries;
- provide mechanisms for collaboration between technology-based industries and higher education institutions;
- help businesses secure research funds and develop and integrate technology into new products;
- offer technology transfer and commercialization training opportunities for students;
- serve as the lead entity for coordinating clean energy initiatives; and
- administer technology and innovation grant and loan programs.

Innovate Washington's governance structure includes a 15-member board consisting of seven private-sector executives appointed by the Governor, four legislators, the Governor or Governor's designee, the president or designees from the University of Washington and Washington State University (WSU), and the Director of the Department of Commerce (Commerce).

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

The Investing in Innovation Account was also created by the Legislature as a non-appropriated account in the custody of the State Treasurer. Only the Executive Director of Innovate Washington or the Executive Director's designee has the authority to make expenditures from the account.

Innovate Washington has a performance agreement with the Innovate Washington Foundation (Foundation) under which the Foundation delivers the services for which Innovate Washington is responsible. The Foundation is governed by a separate board of directors than the board governing Innovate Washington.

In 2013 the Legislature eliminated all funding to Innovate Washington in the state operating budget. Innovate Washington, however, still exists as a state agency under statutory law.

**Summary of Bill:** The bill as referred to committee not considered.

**Summary of Bill (Proposed Substitute):** All operations of Innovate Washington are hereby terminated and all references pertaining to the agency are removed from statute. Prior to ceasing operations, however, Innovate Washington must work with the Department of Enterprise Services (DES) to have all real and personal property assigned to WSU. Such property includes real estate, buildings, facilities, cabinets, furniture, motor vehicles, and other tangible property used by Innovate Washington.

Innovate Washington must also work with DES to have the master lease for the Spokane Technology Center Building at 120 North Pine Street in Spokane, Washington assigned to WSU.

Innovate Washington additionally must work with DES to have all data relating to the operations of innovate Washington transferred to Commerce. Commerce is authorized to use such data in its current and future business operations. All unused data, however, must be transferred to the Washington State Archives for records management purposes.

**Appropriation:** None.

**Fiscal Note:** Requested on January 31, 2014.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** The bill takes effect on July 1, 2014.