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**SUBSTITUTE HOUSE BILL 2434**

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**State of Washington 64th Legislature 2016 Regular Session**

**By** House Technology & Economic Development (originally sponsored by Representatives Morris, Smith, Tarleton, Stokesbary, Magendanz, Stanford, Haler, and Santos)

AN ACT Relating to the promotion of space exploration; adding a new section to chapter 44.28 RCW; adding a new chapter to Title 43 RCW; and creating new sections.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. **Sec.**  (1) It is the intent of the legislature to assist and expedite the growth of Washington state's nascent space exploration-related manufacturing and intellectual property sectors. In partnership with space exploration industry sector participants, it is the intent of the legislature to create tools for the industry through the Washington state space exploration center of excellence that will assist this nascent sector in distinguishing itself from aerospace sectors, establishing the reputation of the Washington state space exploration sector, increasing the number of federal research dollars awarded to the state, recruiting future sector experts, and creating a method to measure the success of these goals.

(2) The legislature declares that the total contribution of the state towards establishing the Washington state space exploration center of excellence shall not exceed two hundred fifty thousand dollars.

NEW SECTION. **Sec.**  There is created the Washington state space exploration center of excellence within the department of commerce. As used in this chapter, "center" means the Washington state space exploration center of excellence.

NEW SECTION. **Sec.**  The purpose of the center is to:

(1) Support joint industry-university research in developing and supporting new and existing technologies that can be used by space exploration firms;

(2) Assist the University of Washington, Washington State University, and other participating institutions in recruiting future space exploration sector leaders to enhance the education of students and promote a pathway for K-12 and postsecondary students in the engineering and other space exploration-related programs through industry-focused research and applied learning;

(3) Work directly with existing small, medium, and large-sized space firms and space industry associations to identify research needs and opportunities to transfer technologies that would benefit such firms;

(4) Provide a centralized Washington space exploration industry hub to facilitate communication, participation, and growth of the industry;

(5) Promote and foster local space exploration industry efforts to increase statewide competitiveness; and

(6) Coordinate efforts with other governmental entities, nongovernmental organizations, and academics to solicit significant industry conferences and meetings to Washington, including those events that would facilitate and encourage industry development, collaboration, and planning.

NEW SECTION. **Sec.**  The center shall:

(1) Make its facilities and resources, including internships and research opportunities, readily available to all four-year institutions of higher education as defined in RCW 28B.10.016; K-12 science, technology, engineering, and mathematics programs; and career and technical education programs approved by the office of the superintendent of public instruction;

(2) Work with space exploration industry associations and space exploration firms of all sizes to identify the research areas that will benefit the intermediate and long-term economic vitality of the Washington space exploration industry;

(3) Provide technical assistance to researchers and space exploration firms in safeguarding intellectual property while advancing space exploration industry innovation;

(4) Develop and strengthen university-industry relationships through promotion of faculty collaboration with industry;

(5) Maintain transparency by requiring that a grant of state or nonstate funds may not be made by the center to any project that involves space flight if the payload of that space flight is not disclosed in the grant application;

(6) Sponsor at least one annual symposium focusing on space exploration research and innovation in Washington and provide support for up to five additional events hosted by space exploration industry associations or other space-related entities;

(7) Hold at least two annual meetings to provide a forum for space exploration industry experts, firms, governmental entities, and other space exploration industry participants to discuss the successes, barriers, and needs of the space exploration industry;

(8) By January 9, 2017, develop short and long-term work plans that include the specific processes, methods, or mechanisms the center will use to accomplish each of the duties provided in this section:

(a) The long-term operating plan required by this subsection (8) must be a ten-year plan;

(b) The operating plan must include appropriate performance metrics, including the:

(i) Total number of space exploration researchers recruited;

(ii) Total workforce trained;

(iii) Total number of jobs created, calculated by using the Washington state space exploration sector employment number per firm as a mean;

(iv) Total number of products or processes that have progressed to commercialization and private sector deployment; and

(v) Space exploration research articulated curricula created; and

(9) Report biennially to the legislature and the governor about the impact of the center's work on the state's economy and the space exploration sector, including: (a) Projections for future impact; (b) indicators of the center's impact; (c) an outline of ideas for enhancing benefits to the state; and (d) progress updates on the center's short and long-term work plans, including the status of achieving the milestones identified in this act and in the center's long-term work plan.

NEW SECTION. **Sec.**  In order to carry out its responsibilities under this chapter, the center may:

(1) Receive such gifts, grants, funds, fees, and endowments, in trust or otherwise, for the use and benefit of the purposes and duties of the center. The center may expend the same or any income therefrom according to the terms of the gifts, grants, or endowments;

(2) Initiate, conduct, or contract for studies and research relating to market development for space exploration technologies including, but not limited to, applied research, technology transfer, and pilot demonstration projects;

(3) Enter into, amend, and terminate contracts with individuals, corporations, trade associations, and research institutions for the purposes of this chapter;

(4) Provide business and marketing assistance to public and private sector entities related to space exploration within the state; and

(5) Evaluate, analyze, and make recommendations on state policies that may affect the nascent space exploration industry.

NEW SECTION. **Sec.**  The center shall solicit financial contributions and support from private sector sources, foundations, and grants from governmental sources to assist in conducting its activities. It may also use separately appropriated funds of the department of commerce for the center's activities.

NEW SECTION. **Sec.**  A new section is added to chapter 44.28 RCW to read as follows:

The joint legislative audit and review committee shall conduct an evaluation of the performance of the Washington state space exploration center of excellence created in chapter 43.--- RCW (the new chapter created in section 8 of this act) and report its findings and recommendations to the governor and the economic development committees of the senate and house of representatives by July 1, 2027. The purpose of the evaluation is to determine the extent to which the center has contributed to the economic development of the state, as indicated by the achievement of the following milestones, measured using the metrics identified in section 4 of this act:

(1) An increase in federal space exploration dollars by thirty percent;

(2) Establishment of a program to recruit future space exploration sector research experts to Washington's four-year institutions of higher education;

(3) An increase in the number of jobs in the space exploration sector by fifteen percent;

(4) Assistance in creating a space exploration research curriculum in a Washington state college or university;

(5) An increase in the number of secondary and postsecondary students who participate in work-based learning or research, and who complete internships or on-the-job training related to the space exploration sector; and

(6) Creation of an ongoing ten-year plan for creating economic growth in the space exploration sector, including workforce development.

NEW SECTION. **Sec.**  Sections 2 through 6 of this act constitute a new chapter in Title 43 RCW.

NEW SECTION. **Sec.**  If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. **Sec.**  If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2016, in the omnibus appropriations act, this act is null and void.

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