
HOUSE BILL 2434

State of Washington

64th Legislature

2016 Regular Session

By Representatives Morris, Smith, Tarleton, Stokesbary, Magendanz, Stanford, Haler, and Santos

Read first time 01/13/16. Referred to Committee on Technology & Economic Development.

1 AN ACT Relating to the promotion of space exploration; adding a
2 new section to chapter 44.28 RCW; adding a new chapter to Title 28B
3 RCW; and creating new sections.

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

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

17 NEW SECTION. **Sec. 2.** The Washington state space exploration
18 center of excellence is hereby created to:

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

4 (2) Recruit future space exploration sector leaders in space
5 exploration that will enhance the education of students in the
6 engineering and other space exploration-related departments of the
7 University of Washington, Washington State University, and other
8 participating institutions through industry-focused research;

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

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

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

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

23 NEW SECTION. **Sec. 3.** The department of commerce shall select an
24 academic, government, or nongovernmental entity to host and oversee
25 the Washington state space exploration center of excellence, pursuant
26 to all applicable laws and procedures governing procurement of goods
27 and services by state agencies. The department must give preference
28 to entities that have a close nexus to the space exploration private
29 sector; have the lowest overhead rate, with a target of eighteen
30 percent; and demonstrate an ability to meet the milestones
31 established in this act to meet space exploration industry needs.
32 Facilities and resources of the center must be readily available to
33 all four-year institutions of higher education, as defined in RCW
34 28B.10.016. Resources include, but are not limited to, internships,
35 on-the-job training, and research opportunities for undergraduate and
36 graduate students and faculty.

37 NEW SECTION. **Sec. 4.** (1)(a) The powers of the center are vested
38 in and shall be exercised by a board of directors, consisting of nine

1 members appointed by the governor. The governor shall appoint a
2 chair, who has no vote except as provided in (c) of this subsection.

3 (b) Of the eight voting members of the board, one member must
4 represent small-sized space exploration firms, one member must
5 represent medium-sized space exploration firms, one member must
6 represent large-sized space exploration firms, one member must
7 represent labor, two members must represent space exploration
8 industry associations, and two members must represent higher
9 education. The terms of the initial members must be staggered.

10 (c) In the event of a tie vote among the voting members, the
11 chair may vote to break a tie.

12 (d) The chair and ranking minority members of the technology
13 committees in the house of representatives and the senate are ex
14 officio members of the board, and the record of their attendance at
15 board meetings must be spread across the journals of each chamber.

16 (2) The board shall hire an executive director. The executive
17 director shall hire such staff as the board deems necessary, within
18 budget constraints, to meet the statutory goals of this act. Staff
19 support may be provided from among the cooperating institutions
20 through cooperative agreements, to the extent funds are available.
21 The executive director may enter into cooperative agreements for
22 programs and research with public and private organizations,
23 including state and nonstate agencies, consistent with policies of
24 the participating institutions.

25 (3) The board is authorized to create a nonprofit corporation in
26 order to receive and distribute nonstate dollars to meet the goals of
27 this act.

28 (4) The board must:

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

33 (b) Identify entrepreneurial researchers to join or lead research
34 teams in the research areas specified in (a) of this subsection and
35 the steps the University of Washington and Washington State
36 University will take to recruit such researchers;

37 (c) Assist firms to integrate existing technologies into their
38 operations and align the activities of the center with those of the
39 space exploration industry to enhance services available to space
40 exploration firms;

1 (d) Develop internships, on-the-job training, research, and other
2 opportunities, and ensure that all undergraduate and graduate
3 students enrolled in space exploration curriculums have direct
4 experience with space exploration firms;

5 (e) Assist researchers and firms in safeguarding intellectual
6 property while advancing space exploration industry innovation;

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

9 (g) Sponsor at least one annual symposium focusing on space
10 exploration research and innovation in Washington;

11 (h) Encourage a full range of projects, from small research
12 projects that meet the specific needs of a smaller company to large
13 scale, multipartner projects;

14 (i) Develop nonstate support of the center's research activities
15 through leveraging dollars from federal and private for-profit and
16 nonprofit sources;

17 (j) Leverage the center's financial impact through joint support
18 arrangements on a project-by-project basis, as appropriate;

19 (k) Establish mechanisms for soliciting and evaluating proposals
20 and for making awards and reporting on technological progress,
21 financial leverage, and other measures of impact;

22 (l) Allocate seed funds for at least one of the following
23 purposes:

24 (i) Educating space exploration industry firms on available tax
25 credits;

26 (ii) Creating a centralized resource for space industry
27 participants to access government contracting and grant information
28 including, but not limited to, small business innovation research
29 grants; or

30 (iii) Workforce development for the space exploration industry;

31 (m) By January 9, 2017, develop short and long-term operating
32 plans that include the specific processes, methods, or mechanisms the
33 center will use to accomplish each of the duties provided in this
34 subsection (4):

35 (i) The long-term operating plan required by this subsection
36 (4)(m) must be a ten-year plan;

37 (ii) The operating plan must include appropriate performance
38 metrics, including the:

39 (A) Total number of federal space exploration research dollars
40 leveraged;

- 1 (B) Total number of space exploration researchers recruited;
- 2 (C) Total workforce trained;
- 3 (D) Total number of jobs created, calculated by using the
4 Washington state space exploration sector employment number per firm
5 as a mean;
- 6 (E) Total number of products or processes that have progressed to
7 commercialization and private sector deployment; and
- 8 (F) Space exploration research curriculum created;
- 9 (n) Assist in Washington state hosting five major space
10 exploration industry events, as identified from the list of potential
11 meetings in the center's initial business plan;
- 12 (o) Hold at least two annual meetings to provide a forum for
13 space exploration industry experts, firms, governmental entities, and
14 other space exploration industry participants to discuss the
15 successes, barriers, and needs of the space exploration industry; and
- 16 (p) Report biennially to the legislature and the governor about
17 the impact of the center's work on the state's economy and the space
18 exploration sector, including: (i) Projections for future impact;
19 (ii) indicators of the center's impact; (iii) an outline of ideas for
20 enhancing benefits to the state; and (iv) progress updates on the
21 center's short and long-term operating plans, including the status of
22 achieving the milestones identified in this act and in the center's
23 long-term operating plan.

24 NEW SECTION. **Sec. 5.** A new section is added to chapter 44.28
25 RCW to read as follows:

26 The joint legislative audit and review committee shall conduct an
27 evaluation of the performance of the center created in chapter
28 28B.--- RCW (the new chapter created in section 6 of this act) and
29 report findings and recommendations to the governor and the economic
30 development committees of the senate and house of representatives by
31 July 1, 2027. The purpose of the evaluation is to determine the
32 extent to which the center has contributed to the economic
33 development of the state, as indicated by achievement of the
34 following milestones, measured using the metrics identified in
35 section 4 of this act:

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

1 (2) Establishment of a program to recruit future space
2 exploration sector research experts to Washington academic
3 institutions;

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

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

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

11 NEW SECTION. **Sec. 6.** Sections 2 through 4 of this act
12 constitute a new chapter in Title 28B RCW.

13 NEW SECTION. **Sec. 7.** If any provision of this act or its
14 application to any person or circumstance is held invalid, the
15 remainder of the act or the application of the provision to other
16 persons or circumstances is not affected.

17 NEW SECTION. **Sec. 8.** If specific funding for the purposes of
18 this act, referencing this act by bill or chapter number, is not
19 provided by June 30, 2016, in the omnibus appropriations act, this
20 act is null and void.

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