Tech set to get a boost in '19 legislative session but USTAR could go down in flames

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FILE - Rep. Robert Spendlove, R-Sandy, speaks at a press conference at the Road Home Midvale Center on Thursday, Feb. 2, 2017. Rep. Robert Spendlove, R-Sandy, has been working on smoothing the thoroughfare for autonomous vehicles in the state for the past couple of years and a bill that was delayed at the end of the interim session last year is ready for consideration by his colleagues.

SALT LAKE CITY — A passel of bills in the mix in the Utah Legislature's 2019 edition are aiming to have positive impacts, should they pass, on a number of tech-centric and tech-related issues including computer science education, data privacy, digital autonomous vehicles and more.

However, the state's long-running life sciences and biotech support effort — the Utah Science, Technology and Research initiative, or USTAR — may not survive the session as a decision on the agency's long-term fate, explored over the course of last summer's interim meetings, is likely to be made.

Rep. Robert Spendlove, R-Sandy, has been working on smoothing the thoroughfare for autonomous vehicles in the state for the past couple of years and a bill that was delayed at the end of the interim session last year is ready for consideration by his colleagues.

Spendlove's HB101 would allow for operation of driverless vehicles on Utah roads, create a pathway for titleing, licensing and registration of said vehicles and, perhaps most importantly, establish a protocol for assessing liability in the event of an accident.

At a November interim legislative committee meeting, Spendlove said his effort was first and foremost about ensuring safe operations of high-tech, autonomous vehicles in the Beehive State.

"(We're) sending the message to the people of Utah that we do care about safety and we are going to do what we can to make sure the implementation and rollout of this technology will be done in a way … that these will be as safe as we can make them," Spendlove said.

Major and well-publicized data breaches, as well as various misuses of private electronically stored information, have highlighted personal privacy concerns for anyone navigating the digital ether. A bill proposal from Rep. Craig Hall, R-West Valley City would provide some protections for an individual's data stored in a server owned by, say, a cellphone provider or other cloud-based software provider. According to an assessment from the American Civil Liberties Union of Utah, Hall's bill "establishes that a person who transmits data to a third party (like a cell phone provider or cloud-based server) maintains ownership of their data and is entitled to a reasonable expectation of privacy." The ACLU also notes HB57, if passed into law, would extend some of the same protections established by the U.S. Supreme Court in last year's Carpenter v. U.S. — which said the government must obtain a search warrant to collect location information collected by cellphone towers — to all digital information stored by third parties.

Utah is lagging far behind the curve in creating computer science opportunities for students, with almost half the state's high schools, according to state data, currently offering no computer science classes whatsoever. That failing comes amid an employment world where computer and tech skills are increasingly in demand, with those jobs offering compensation that far outstrips general average salaries.

Rep. John Knotwell, R-Herriman, who also runs the non-profit trade group Utah Technology Council, is aiming to address that with a $10 million grant program that would create a new funding stream for schools that want to add computer science curriculum. And, a just-announced challenge from Utah tech leaderscould double the funding provided in HB227 in a novel public-private effort.

Utah tech leader and founder/CEO of InsideSales, Dave Elkington said, should Knotwell's bill pass, the effort would put a stake in the ground marking Utah's committment to gifting the skills of tomorrow to the students of today.

"Let's be the first state to do this," Elkington said. "Let's show the rest of the country and the rest of the world what it's like to empower our kids for the future."

USTAR, the 12-year-old agency birthed and championed under the leadership of former Gov. Jon Huntsman Jr., has been under legislative seige. Last year, lawmakers cut the agency's budget by a third and severed the agency from its long-running connection to high-caliber researchers at both the University of Utah and Utah State University.

In the last four months, USTAR has lost both its director and the acting director who followed. In October, Ivy Estabrooke, a neuroscientist with a long-running record of working in the public sector with the U.S. Department of Defense before taking over the helm of USTAR in 2014 via appointment by Gov. Gary Herbert, had this to say about the circumstances surrounding her resignation:

"I truly believe that, as much as possible, the fundamental processes of discovery, invention and innovation should not be politically driven," Estabrooke said. "I think we've seen the outcomes of innovation efforts being driven by politics without expertise to screen and guide it and they are the Solyndras and perpetual motion machines of the world."

During the interim meetings last summer, many lawmakers were critical of USTAR in spite of a recent third-party assessment that gave the agency stellar ratings for performance and efficiency. Other data reflected that $30 million invested through USTAR in Utah life science and biotech firms had drawn

some $150 million in follow-on funding, a return one venture capitalist called "outstanding by anyone's measure."

In the current session, Rep. Mike Winder, R-West Valley City, is running a bill he says would address issues raised by legislators, including potential overlap with other work being done by the Governor's Office of Economic Development, while keeping the agency intact. Winder acknowledged that past issues, like negative audit findings in the years before Estabrooke took over the agency, have worked against USTAR's reputation, but those issues had long been resolved.

"As we look around the country, there is tremendous value in having a quasi-independent group like USTAR in place," Winder said. "And despite the hiccups that USTAR has had in years past, technology commercialization is more important to Utah's future than ever."

Sen. Dan Hemmert, R-Orem, oversaw the interim review of USTAR. In October, after his legislative interim committee was unable to reach a conclusion, he pledged to address it in the current session. As of Friday, Hemmert had no bill file open focused on USTAR. He did tell the Deseret News that while he hadn't seen Winder's bill, he suspected that he would not be supporting it.

While some state lawmakers may be unconvinced that support of Utah life science companies is the "highest and best use of taxpayer funding," one of the state's federal representatives, Sen. Mitt Romney, who is himself a former equity investor, weighed in on the matter last summer at Salt Lake business conference.

"We've been fortunate with Silicon Slopes that we've attracted businesses in the areas of software and services that have been instant successes and are growing like crazy," Romney said. "But there are also, if you will, deep technology innovators that also need to be attracted to our state. You might say, 'Well, the venture capital guys will take care of that.' Well, about 90 percent of venture capital in our state over the last five years has gone to software and service businesses. Very little actually gets into some of the deep technologies that are so essential to our long-term growth."

"And, these technologies typically take a long time to generate the kinds of returns that venture capitalists often want," he said. "And that's, of course, where USTAR fits in."