

FINAL BILL REPORT

SHB 1673

FULL VETO

Brief Description: Creating the aerospace industry legislative task force.

By House Committee on Trade, Economic Development & Housing (originally sponsored by Representatives Roland, Eide, Vance, Brough, Campbell, Wang, Jacobsen, Patterson and Forner).

House Committee on Trade, Economic Development & Housing
House Committee on Appropriations
Senate Committee on Trade, Technology & Economic Development

Background: The Washington economy is heavily dependent upon aerospace and aerospace-related employment. The aerospace industry is the major manufacturing base industry in the state with 107,300 employees. In 1992, direct aerospace employment accounted for 4.5 percent of the state's total employment, and 30 percent of the manufacturing employment.

Between 1983 and 1991, the state's aerospace industry experienced rapid growth as airlines began replacing their fleet of older passenger jets and the number of defense contracts increased. Recently, however, the Boeing Company announced that decreases in the production levels of its 737, 757, and 767 passenger jets would result in workforce reductions of approximately 10,500 employees. The reductions are scheduled for the second half of 1993. It is expected that the majority of the reductions will occur in King and Snohomish counties.

There is concern that Washington's economy has become too dependent upon the fluctuations of the aerospace industry and that efforts should be made to diversify the state's manufacturing employment base.

A 1993 law creates the Executive-Legislative Committee on Economic Development, which is composed of legislative branch and executive branch officials and appointees.

Summary: The Subcommittee on the Aerospace Industry is created as a subcommittee of the Executive-Legislative Committee on Economic Development. The subcommittee must examine the overall impacts of the aerospace industry work

slowdown on state and substate regional economies, displaced workers and their families, and other businesses.

The subcommittee consists of at least three members of the full committee and may include advisory members. The advisory members may include representatives from the aerospace industry, chambers of commerce and economic development councils, aerospace workers' unions, county councils, city governments, and the Work Force Training and Education Coordinating Board.

The purpose of the subcommittee is to make recommendations, to the Legislature regarding: (1) short-term and long-term assistance for workers made unemployed by the slowdown in the aerospace industry; and (2) long-term approaches to effectively diversify the region of the state most affected by fluctuations in the aerospace industry.

The subcommittee shall submit a report, through the full committee, summarizing its findings and recommendation to the appropriate legislative committees by December 1, 1993.

Votes on Final Passage:

House	96	0	
Senate	46	2	(Senate amended)
House			(House refused to concur)
Senate			(Senate insisted)
House	93	0	(House concurred)

FULL VETO (See VETO MESSAGE)