

SHB 2892 - H AMD

By Representative Upthegrove

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** Although manufacturing has long been
4 subject to the ups and downs of regular market cycles, the
5 increasing pace of globalization and the ability of the world's new
6 manufacturing floor to export deflation has caused United States
7 manufacturers to lose all pricing power. Despite the development
8 of good cost control practices such as lean manufacturing, domestic
9 manufacturers cannot compete on price alone.

10 As our economy continues to evolve through changes to our
11 existing manufacturing base, our manufacturers need assistance to
12 continue to provide high quality products at a low cost. In order
13 to make a radical change to an innovation focus, there must be a
14 public and private partnership.

15 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.31
16 RCW to read as follows:

17 (1) Provided the conditions in subsections (2) and (3) of this
18 section are met, a center for advanced manufacturing may be created
19 to provide the necessary resources for the state's manufacturing
20 industry.

21 (2) A feasibility study and economic analysis for the creation
22 of a center for advanced manufacturing must be conducted by a
23 qualified organization chosen by the department of community, trade
24 and economic development and should include, but is not limited to,
25 a center for advanced manufacturing that offers:

26 (a) A research institution to transfer technology for
27 commercial applications in small and mid-market manufacturers;

1 (b) A clearinghouse and national research library that locates
2 best practices information, disseminates national research, and
3 provides a publicly accessible research library; and

4 (c) On-going training, and curriculum and courses to develop a
5 skilled work force, with a focus on quality efficiency practices.

6 (3) The feasibility study and economic analysis must be
7 delivered to the appropriate committees of the legislature by
8 December 31, 2005.

9 (4) For the purposes of this section, a qualified organization
10 must be:

11 (a)(i) Designated as a nonprofit organization under section
12 501(c)(3) of the internal revenue code, or (ii) a partnership
13 between a designated nonprofit organization under section 501(c)(3)
14 of the internal revenue code and a government or quasi-government
15 agency; and

16 (b) Focused on developing or supporting small, medium, and
17 large manufacturing businesses;

18 (c) Structured around a sound business plan;

19 (d) Able to demonstrate that it has the resources to complete
20 the feasibility study and economic analysis in a timely manner and
21 the state is not the sole source of funding for the feasibility
22 study and economic analysis; and

23 (e) Compliant with the standards developed by the department of
24 community, trade and economic development and included in the
25 application.

26 NEW SECTION. **Sec. 3.** If specific funding for the purposes of
27 this act, referencing this act by bill or chapter number, is not
28 provided by June 30, 2004, in the omnibus appropriations act, this
29 act is null and void."

30 Correct the title.

EFFECT: The Center for Advanced Manufacturing may be created provided that a feasibility study and economic analysis is conducted by a qualified organization. A qualified organization must be a 501(c)(3) nonprofit organization or a partnership of a 501(c)(3) organization and a government or quasi-government agency that is focused on developing or supporting manufacturing businesses and meet the other

criteria. The state cannot be the sole source of funds to conduct the study. The study must be delivered by December 31, 2005 to the appropriate committees of the legislature.