

SENATE BILL REPORT

ESHB 2892

As Reported By Senate Committee On:
Economic Development, February 25, 2004

Title: An act relating to the creation of a center for advanced manufacturing.

Brief Description: Creating a center for advanced manufacturing.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Uptegrove, Schual-Berke, G. Simpson, Cairnes, Wallace, Veloria, Wood, Kenney, Morrell and Conway).

Brief History:

Committee Activity: Economic Development: 2/20/04, 2/25/04 [DPA-WM].

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT

Majority Report: Do pass as amended and be referred to Committee on Ways & Means.
Signed by Senators T. Sheldon, Chair; Hale, Kohl-Welles, Murray, Schmidt and Shin.

Staff: Jack Brummel (786-7428)

Background: The Employment Security Department's (ESD) Labor Market and Economic Report for 2003 notes that the manufacturing sector in Washington had lost 62,500 jobs since the employment peak of November 2000. Manufacturing accounted for 17 percent of Washington's employment base in 1990. In 2003, it accounted for just under 11 percent.

The ESD reports that about three-quarters of the decline in manufacturing is structural, meaning it is a permanent, rather than cyclical change. The low-skilled manufacturing jobs that have been lost are not likely to come back. Manufacturers are demanding a more skilled worker in order to deal with the growing range of advanced technologies they are adopting.

Summary of Amended Bill: The Department of Community, Trade, and Economic Development must contract with a public entity to conduct a survey of manufacturers on their technical assistance and training needs. The recipient of the contract must develop a plan for delivering services that meet those needs.

The bill is null and void if specific funding is not appropriated in the omnibus appropriations act.

Amended Bill Compared to Substitute Bill: The striking amendment requires the Department of Community, Trade, and Economic Development to contract with a public entity to conduct a survey of manufacturers on their technical assistance and training needs. The recipient of the contract is to develop a plan for delivering services that meet those needs.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed. However, the bill is null and void unless funded in the budget.

Testimony For: The state is losing manufacturing jobs. A manufacturing center would assist in dealing with this problem. A feasibility study and economic analysis is the first step. A center could create a long-range model plan.

Testimony Against: None.

Testified: Rep. Dave Upthegrove; Nathan Torgelson, City of Kent; Marcelle Pechler, Kent Chamber of Commerce.