

SSB 5048 - H COMM AMD

By Committee on Community & Economic Development & Trade

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

3 "Sec. 1. RCW 43.330.090 and 2007 c 228 s 201 are each amended to
4 read as follows:

5 (1) The department shall work with private sector organizations,
6 industry and ~~((cluster))~~ sector associations, federal agencies, state
7 agencies that use a ~~((cluster-based))~~ sector-based approach to service
8 delivery, local governments, local associate development organizations,
9 and higher education and training institutions in the development of
10 industry ~~((cluster-based))~~ sector-based strategies to diversify the
11 economy, facilitate technology transfer and diffusion, and increase
12 value-added production. The industry ~~((clusters))~~ sectors targeted by
13 the department may include, but are not limited to, aerospace,
14 agriculture, food processing, forest products, marine services, health
15 and biomedical, software, digital and interactive media, transportation
16 and distribution, and microelectronics. The department shall, on a
17 continuing basis, evaluate the potential return to the state from
18 devoting additional resources to an industry ~~((cluster-based))~~ sector-
19 based approach to economic development and identifying and assisting
20 additional ~~((clusters))~~ sectors. ~~((The — department — shall — use~~
21 ~~information gathered in each service delivery region in formulating its~~
22 ~~industry cluster based strategies and shall assist local communities in~~
23 ~~identifying regional industry clusters and developing industry cluster-~~
24 ~~based strategies.))~~

25 (2) The department's sector-based strategies shall include, but not
26 be limited to, cluster-based strategies that focus on assisting
27 regional industry sectors and related firms and institutions that meet
28 the definition of an industry cluster in this section and based on
29 criteria identified by the working group established in this chapter.

1 (3)(a) The department shall promote, market, and encourage growth
2 in the production of films and videos, as well as television
3 commercials within the state; to this end the department is directed to
4 assist in the location of a film and video production studio within the
5 state.

6 (b) The department may, in carrying out its efforts to encourage
7 film and video production in the state, solicit and receive gifts,
8 grants, funds, fees, and endowments, in trust or otherwise, from
9 tribal, local, or other governmental entities, as well as private
10 sources, and may expend the same or any income therefrom for the
11 encouragement of film and video production. All revenue received for
12 such purposes shall be deposited into the film and video promotion
13 account created in RCW 43.330.092.

14 (~~(3)~~) (4) In assisting in the development of regional and
15 statewide industry cluster-based strategies, the department's
16 activities shall include, but are not limited to:

17 (a) Facilitating regional focus group discussions and conducting
18 studies to identify industry clusters, appraise the current information
19 linkages within a cluster, and identify issues of common concern within
20 a cluster;

21 (b) Supporting industry and cluster associations, publications of
22 association and cluster directories, and related efforts to create or
23 expand the activities of industry and cluster associations;

24 (c) Administering a competitive grant program to fund economic
25 development activities designed to further regional cluster growth. In
26 administering the program, the department shall work with an industry
27 cluster advisory committee with equal representation from the economic
28 development commission, the workforce training and education
29 coordinating board, the state board for community and technical
30 colleges, the employment security department, business, and labor.

31 (i) The industry cluster advisory committee shall recommend
32 criteria for evaluating applications for grant funds and recommend
33 applicants for receipt of grant funds. Criteria shall include not
34 duplicating the purpose or efforts of industry skill panels.

35 (ii) Applicants must include organizations from at least two
36 counties and participants from the local business community. Eligible
37 organizations include, but are not limited to, local governments,

1 economic development councils, chambers of commerce, federally
2 recognized Indian tribes, workforce development councils, and
3 educational institutions.

4 (iii) Applications must evidence financial participation of the
5 partner organizations.

6 (iv) Eligible activities include the formation of cluster economic
7 development partnerships, research and analysis of economic development
8 needs of the cluster, the development of a plan to meet the economic
9 development needs of the cluster, and activities to implement the plan.

10 (v) Priority shall be given to applicants (~~which~~) that complement
11 industry skill panels and will use the grant funds to build linkages
12 and joint projects(~~(, to develop common resources and common training,~~
13 ~~and to develop common research and development projects or~~
14 ~~facilities))~~).

15 (~~(v)~~) (vi) The maximum amount of a grant is one hundred thousand
16 dollars.

17 (~~(vi)~~) (vii) A maximum of one hundred thousand dollars total can
18 go to King, Pierce, Kitsap, and Snohomish counties combined.

19 (~~(vii)~~) (viii) No more than ten percent of funds received for the
20 grant program may be used by the department for administrative costs.

21 (~~(4)~~) (5) As used in (~~(subsection (3) of this section)~~) this
22 chapter, "industry cluster" means a geographic concentration of
23 (~~(interdependent competitive firms that do business with each other.~~
24 ~~"Industry cluster" also includes firms that sell inside and outside of~~
25 ~~the geographic region as well as support firms that supply raw~~
26 ~~materials, components, and business services)) interconnected companies
27 in a single industry, related businesses in other industries, including
28 suppliers and customers, and associated institutions, including
29 government and education.~~

30 **Sec. 2.** RCW 50.38.050 and 1993 c 62 s 5 are each amended to read
31 as follows:

32 The department shall have the following duties:

33 (1) Oversight and management of a statewide comprehensive labor
34 market and occupational supply and demand information system, including
35 development of a five-year employment forecast for state and labor
36 market areas;

1 (2) Produce local labor market information packages for the state's
2 counties, including special studies and job impact analyses in support
3 of state and local employment, training, education, and job creation
4 programs, especially activities that prevent job loss, reduce
5 unemployment, and create jobs;

6 (3) Coordinate with the office of financial management and the
7 office of the forecast council to improve employment estimates by
8 enhancing data on corporate officers, improving business establishment
9 listings, expanding sample for employment estimates, and developing
10 business entry/exit analysis relevant to the generation of occupational
11 and economic forecasts; (~~and~~)

12 (4) In cooperation with the office of financial management, produce
13 long-term industry and occupational employment forecasts. These
14 forecasts shall be consistent with the official economic and revenue
15 forecast council biennial economic and revenue forecasts; and

16 (5) Analyze labor market and economic data, including the use of
17 input-output models, for the purpose of identifying industry clusters
18 and strategic industry clusters that meet the criteria identified by
19 the working group convened by the economic development commission and
20 the workforce training and education coordinating board under chapter
21 43.330 RCW.

22 **Sec. 3.** RCW 28B.50.030 and 2007 c 277 s 301 are each amended to
23 read as follows:

24 As used in this chapter, unless the context requires otherwise, the
25 term:

26 (1) "System" shall mean the state system of community and technical
27 colleges, which shall be a system of higher education.

28 (2) "Board" shall mean the workforce training and education
29 coordinating board.

30 (3) "College board" shall mean the state board for community and
31 technical colleges created by this chapter.

32 (4) "Director" shall mean the administrative director for the state
33 system of community and technical colleges.

34 (5) "District" shall mean any one of the community and technical
35 college districts created by this chapter.

36 (6) "Board of trustees" shall mean the local community and

1 technical college board of trustees established for each college
2 district within the state.

3 (7) "Occupational education" shall mean that education or training
4 that will prepare a student for employment that does not require a
5 baccalaureate degree, and education and training leading to an applied
6 baccalaureate degree.

7 (8) "K-12 system" shall mean the public school program including
8 kindergarten through the twelfth grade.

9 (9) "Common school board" shall mean a public school district board
10 of directors.

11 (10) "Community college" shall include those higher education
12 institutions that conduct education programs under RCW 28B.50.020.

13 (11) "Technical college" shall include those higher education
14 institutions with the sole mission of conducting occupational
15 education, basic skills, literacy programs, and offering on short
16 notice, when appropriate, programs that meet specific industry needs.
17 The programs of technical colleges shall include, but not be limited
18 to, continuous enrollment, competency-based instruction, industry-
19 experienced faculty, curriculum integrating vocational and basic skills
20 education, and curriculum approved by representatives of employers and
21 labor. For purposes of this chapter, technical colleges shall include
22 Lake Washington Vocational-Technical Institute, Renton Vocational-
23 Technical Institute, Bates Vocational-Technical Institute, Clover Park
24 Vocational Institute, and Bellingham Vocational-Technical Institute.

25 (12) "Adult education" shall mean all education or instruction,
26 including academic, vocational education or training, basic skills and
27 literacy training, and "occupational education" provided by public
28 educational institutions, including common school districts for persons
29 who are eighteen years of age and over or who hold a high school
30 diploma or certificate. However, "adult education" shall not include
31 academic education or instruction for persons under twenty-one years of
32 age who do not hold a high school degree or diploma and who are
33 attending a public high school for the sole purpose of obtaining a high
34 school diploma or certificate, nor shall "adult education" include
35 education or instruction provided by any four year public institution
36 of higher education.

37 (13) "Dislocated forest product worker" shall mean a forest
38 products worker who: (a)(i) Has been terminated or received notice of

1 termination from employment and is unlikely to return to employment in
2 the individual's principal occupation or previous industry because of
3 a diminishing demand for his or her skills in that occupation or
4 industry; or (ii) is self-employed and has been displaced from his or
5 her business because of the diminishing demand for the business'
6 services or goods; and (b) at the time of last separation from
7 employment, resided in or was employed in a rural natural resources
8 impact area.

9 (14) "Forest products worker" shall mean a worker in the forest
10 products industries affected by the reduction of forest fiber
11 enhancement, transportation, or production. The workers included
12 within this definition shall be determined by the employment security
13 department, but shall include workers employed in the industries
14 assigned the major group standard industrial classification codes "24"
15 and "26" and the industries involved in the harvesting and management
16 of logs, transportation of logs and wood products, processing of wood
17 products, and the manufacturing and distribution of wood processing and
18 logging equipment. The commissioner may adopt rules further
19 interpreting these definitions. For the purposes of this subsection,
20 "standard industrial classification code" means the code identified in
21 RCW 50.29.025(3).

22 (15) "Dislocated salmon fishing worker" means a finfish products
23 worker who: (a)(i) Has been terminated or received notice of
24 termination from employment and is unlikely to return to employment in
25 the individual's principal occupation or previous industry because of
26 a diminishing demand for his or her skills in that occupation or
27 industry; or (ii) is self-employed and has been displaced from his or
28 her business because of the diminishing demand for the business's
29 services or goods; and (b) at the time of last separation from
30 employment, resided in or was employed in a rural natural resources
31 impact area.

32 (16) "Salmon fishing worker" means a worker in the finfish industry
33 affected by 1994 or future salmon disasters. The workers included
34 within this definition shall be determined by the employment security
35 department, but shall include workers employed in the industries
36 involved in the commercial and recreational harvesting of finfish
37 including buying and processing finfish. The commissioner may adopt
38 rules further interpreting these definitions.

1 (17) "Rural natural resources impact area" means:

2 (a) A nonmetropolitan county, as defined by the 1990 decennial
3 census, that meets three of the five criteria set forth in subsection
4 (18) of this section;

5 (b) A nonmetropolitan county with a population of less than forty
6 thousand in the 1990 decennial census, that meets two of the five
7 criteria as set forth in subsection (18) of this section; or

8 (c) A nonurbanized area, as defined by the 1990 decennial census,
9 that is located in a metropolitan county that meets three of the five
10 criteria set forth in subsection (18) of this section.

11 (18) For the purposes of designating rural natural resources impact
12 areas, the following criteria shall be considered:

13 (a) A lumber and wood products employment location quotient at or
14 above the state average;

15 (b) A commercial salmon fishing employment location quotient at or
16 above the state average;

17 (c) Projected or actual direct lumber and wood products job losses
18 of one hundred positions or more;

19 (d) Projected or actual direct commercial salmon fishing job losses
20 of one hundred positions or more; and

21 (e) An unemployment rate twenty percent or more above the state
22 average. The counties that meet these criteria shall be determined by
23 the employment security department for the most recent year for which
24 data is available. For the purposes of administration of programs
25 under this chapter, the United States post office five-digit zip code
26 delivery areas will be used to determine residence status for
27 eligibility purposes. For the purpose of this definition, a zip code
28 delivery area of which any part is ten miles or more from an urbanized
29 area is considered nonurbanized. A zip code totally surrounded by zip
30 codes qualifying as nonurbanized under this definition is also
31 considered nonurbanized. The office of financial management shall make
32 available a zip code listing of the areas to all agencies and
33 organizations providing services under this chapter.

34 (19) "Applied baccalaureate degree" means a baccalaureate degree
35 awarded by a college under RCW 28B.50.810 for successful completion of
36 a program of study that is:

37 (a) Specifically designed for individuals who hold an associate of

1 applied science degree, or its equivalent, in order to maximize
2 application of their technical course credits toward the baccalaureate
3 degree; and

4 (b) Based on a curriculum that incorporates both theoretical and
5 applied knowledge and skills in a specific technical field.

6 (20) "Qualified institutions of higher education" means:

7 (a) Washington public community and technical colleges;

8 (b) Private career schools that are members of an accrediting
9 association recognized by rule of the higher education coordinating
10 board for the purposes of chapter 28B.92 RCW; and

11 (c) Washington state apprenticeship and training council-approved
12 apprenticeship programs.

13 (21) "Center of excellence" means a community or technical college
14 designated by the college board as a statewide leader in
15 industry-specific, community and technical college workforce education
16 and training.

17 **NEW SECTION. Sec. 4.** A new section is added to chapter 28B.50 RCW
18 to read as follows:

19 The college board, in consultation with business, industry, labor,
20 the workforce training and education coordinating board, the department
21 of community, trade, and economic development, the employment security
22 department, and community and technical colleges, shall designate
23 centers of excellence and allocate funds to existing and new centers of
24 excellence based on a competitive basis.

25 Eligible applicants for the program established under this section
26 include community and technical colleges. Priority shall be given to
27 applicants that have an established education and training program
28 serving the targeted industry and that have in their home district or
29 region an industry cluster with the same targeted industry at its core.

30 It is the role of centers of excellence to employ strategies to:
31 Create educational efficiencies; build a diverse, competitive workforce
32 for strategic industries; maintain an institutional reputation for
33 innovation and responsiveness; develop innovative curriculum and means
34 of delivering education and training; act as brokers of information and
35 resources related to community and technical college education and
36 training for a targeted industry; and serve as partners with workforce

1 development councils, associate development organizations, and other
2 workforce and economic development organizations.

3 Examples of strategies include but are not limited to: Sharing
4 curriculum and other instructional resources, to ensure cost savings to
5 the system; delivering collaborative certificate and degree programs;
6 and holding statewide summits, seminars, conferences, and workshops on
7 industry trends and best practices in community and technical college
8 education and training.

9 **Sec. 5.** RCW 28C.18.010 and 2008 c 103 s 2 are each amended to read
10 as follows:

11 Unless the context clearly requires otherwise, the definitions in
12 this section apply throughout this title.

13 (1) "Board" means the workforce training and education coordinating
14 board.

15 (2) "Director" means the director of the workforce training and
16 education coordinating board.

17 (3) "Training system" means programs and courses of secondary
18 vocational education, technical college programs and courses, community
19 college vocational programs and courses, private career school and
20 college programs and courses, employer-sponsored training, adult basic
21 education programs and courses, programs and courses funded by the
22 federal workforce investment act, programs and courses funded by the
23 federal vocational act, programs and courses funded under the federal
24 adult education act, publicly funded programs and courses for adult
25 literacy education, and apprenticeships, and programs and courses
26 offered by private and public nonprofit organizations that are
27 representative of communities or significant segments of communities
28 and provide job training or adult literacy services.

29 (4) "Workforce skills" means skills developed through applied
30 learning that strengthen and reinforce an individual's academic
31 knowledge, critical thinking, problem solving, and work ethic and,
32 thereby, develop the employability, occupational skills, and management
33 of home and work responsibilities necessary for economic independence.

34 (5) "Vocational education" means organized educational programs
35 offering a sequence of courses which are directly related to the
36 preparation or retraining of individuals in paid or unpaid employment
37 in current or emerging occupations requiring other than a baccalaureate

1 or advanced degree. Such programs shall include competency-based
2 applied learning which contributes to an individual's academic
3 knowledge, higher-order reasoning, and problem-solving skills, work
4 attitudes, general employability skills, and the occupational-specific
5 skills necessary for economic independence as a productive and
6 contributing member of society. Such term also includes applied
7 technology education.

8 (6) "Adult basic education" means instruction designed to achieve
9 mastery of skills in reading, writing, oral communication, and
10 computation at a level sufficient to allow the individual to function
11 effectively as a parent, worker, and citizen in the United States,
12 commensurate with that individual's actual ability level, and includes
13 English as a second language and preparation and testing service for
14 the general education development exam.

15 (7) "Industry skill panel" means a regional partnership of
16 business, labor, and education leaders that identifies skill gaps in a
17 key economic cluster and enables the industry and public partners to
18 respond to and be proactive in addressing workforce skill needs.

19 (8) "Workforce development council" means a local workforce
20 investment board as established in P.L. 105-220 Sec. 117.

21 **Sec. 6.** RCW 28C.18.060 and 2008 c 212 s 2 are each amended to read
22 as follows:

23 The board, in cooperation with the operating agencies of the state
24 training system and private career schools and colleges, shall:

25 (1) Concentrate its major efforts on planning, coordination
26 evaluation, policy analysis, and recommending improvements to the
27 state's training system;

28 (2) Advocate for the state training system and for meeting the
29 needs of employers and the workforce for workforce education and
30 training;

31 (3) Establish and maintain an inventory of the programs of the
32 state training system, and related state programs, and perform a
33 biennial assessment of the vocational education, training, and adult
34 basic education and literacy needs of the state; identify ongoing and
35 strategic education needs; and assess the extent to which employment,
36 training, vocational and basic education, rehabilitation services, and

1 public assistance services represent a consistent, integrated approach
2 to meet such needs;

3 (4) Develop and maintain a state comprehensive plan for workforce
4 training and education, including but not limited to, goals,
5 objectives, and priorities for the state training system, and review
6 the state training system for consistency with the state comprehensive
7 plan. In developing the state comprehensive plan for workforce
8 training and education, the board shall use, but shall not be limited
9 to: Economic, labor market, and populations trends reports in office
10 of financial management forecasts; joint office of financial management
11 and employment security department labor force, industry employment,
12 and occupational forecasts; the results of scientifically based
13 outcome, net-impact and cost-benefit evaluations; the needs of
14 employers as evidenced in formal employer surveys and other employer
15 input; and the needs of program participants and workers as evidenced
16 in formal surveys and other input from program participants and the
17 labor community;

18 (5) In consultation with the higher education coordinating board,
19 review and make recommendations to the office of financial management
20 and the legislature on operating and capital facilities budget requests
21 for operating agencies of the state training system for purposes of
22 consistency with the state comprehensive plan for workforce training
23 and education;

24 (6) Provide for coordination among the different operating agencies
25 and components of the state training system at the state level and at
26 the regional level;

27 (7) Develop a consistent and reliable database on vocational
28 education enrollments, costs, program activities, and job placements
29 from publicly funded vocational education programs in this state;

30 (8)(a) Establish standards for data collection and maintenance for
31 the operating agencies of the state training system in a format that is
32 accessible to use by the board. The board shall require a minimum of
33 common core data to be collected by each operating agency of the state
34 training system;

35 (b) Develop requirements for minimum common core data in
36 consultation with the office of financial management and the operating
37 agencies of the training system;

1 (9) Establish minimum standards for program evaluation for the
2 operating agencies of the state training system, including, but not
3 limited to, the use of common survey instruments and procedures for
4 measuring perceptions of program participants and employers of program
5 participants, and monitor such program evaluation;

6 (10) Every two years administer scientifically based outcome
7 evaluations of the state training system, including, but not limited
8 to, surveys of program participants, surveys of employers of program
9 participants, and matches with employment security department payroll
10 and wage files. Every five years administer scientifically based net-
11 impact and cost-benefit evaluations of the state training system;

12 (11) In cooperation with the employment security department,
13 provide for the improvement and maintenance of quality and utility in
14 occupational information and forecasts for use in training system
15 planning and evaluation. Improvements shall include, but not be
16 limited to, development of state-based occupational change factors
17 involving input by employers and employees, and delineation of skill
18 and training requirements by education level associated with current
19 and forecasted occupations;

20 (12) Provide for the development of common course description
21 formats, common reporting requirements, and common definitions for
22 operating agencies of the training system;

23 (13) Provide for effectiveness and efficiency reviews of the state
24 training system;

25 (14) In cooperation with the higher education coordinating board,
26 facilitate transfer of credit policies and agreements between
27 institutions of the state training system, and encourage articulation
28 agreements for programs encompassing two years of secondary workforce
29 education and two years of postsecondary workforce education;

30 (15) In cooperation with the higher education coordinating board,
31 facilitate transfer of credit policies and agreements between private
32 training institutions and institutions of the state training system;

33 (16) Develop policy objectives for the workforce investment act,
34 P.L. 105-220, or its successor; develop coordination criteria for
35 activities under the act with related programs and services provided by
36 state and local education and training agencies; and ensure that
37 entrepreneurial training opportunities are available through programs
38 of each local workforce investment board in the state;

1 (17) Make recommendations to the commission of student assessment,
2 the state board of education, and the superintendent of public
3 instruction, concerning basic skill competencies and essential core
4 competencies for K-12 education. Basic skills for this purpose shall
5 be reading, writing, computation, speaking, and critical thinking,
6 essential core competencies for this purpose shall be English, math,
7 science/technology, history, geography, and critical thinking. The
8 board shall monitor the development of and provide advice concerning
9 secondary curriculum which integrates vocational and academic
10 education;

11 (18) Establish and administer programs for marketing and outreach
12 to businesses and potential program participants;

13 (19) Facilitate the location of support services, including but not
14 limited to, child care, financial aid, career counseling, and job
15 placement services, for students and trainees at institutions in the
16 state training system, and advocate for support services for trainees
17 and students in the state training system;

18 (20) Facilitate private sector assistance for the state training
19 system, including but not limited to: Financial assistance, rotation
20 of private and public personnel, and vocational counseling;

21 (21) Facilitate the development of programs for school-to-work
22 transition that combine classroom education and on-the-job training,
23 including entrepreneurial education and training, in industries and
24 occupations without a significant number of apprenticeship programs;

25 (22) Include in the planning requirements for local workforce
26 investment boards a requirement that the local workforce investment
27 boards specify how entrepreneurial training is to be offered through
28 the one-stop system required under the workforce investment act, P.L.
29 105-220, or its successor;

30 (23) Encourage and assess progress for the equitable representation
31 of racial and ethnic minorities, women, and people with disabilities
32 among the students, teachers, and administrators of the state training
33 system. Equitable, for this purpose, shall mean substantially
34 proportional to their percentage of the state population in the
35 geographic area served. This function of the board shall in no way
36 lessen more stringent state or federal requirements for representation
37 of racial and ethnic minorities, women, and people with disabilities;

1 (24) Participate in the planning and policy development of governor
2 set-aside grants under P.L. 97-300, as amended;

3 (25) Administer veterans' programs, licensure of private vocational
4 schools, the job skills program, and the Washington award for
5 vocational excellence;

6 (26) Allocate funding from the state job training trust fund;

7 (27) Work with the director of community, trade, and economic
8 development and the economic development commission to ensure
9 coordination (~~between~~) among workforce training priorities, the long-
10 term economic development strategy of the economic development
11 commission, and (~~that department's~~) economic development and
12 entrepreneurial development efforts, including but not limited to
13 assistance to industry clusters;

14 (28) Conduct research into workforce development programs designed
15 to reduce the high unemployment rate among young people between
16 approximately eighteen and twenty-four years of age. In consultation
17 with the operating agencies, the board shall advise the governor and
18 legislature on policies and programs to alleviate the high unemployment
19 rate among young people. The research shall include disaggregated
20 demographic information and, to the extent possible, income data for
21 adult youth. The research shall also include a comparison of the
22 effectiveness of programs examined as a part of the research conducted
23 in this subsection in relation to the public investment made in these
24 programs in reducing unemployment of young adults. The board shall
25 report to the appropriate committees of the legislature by November 15,
26 2008, and every two years thereafter. Where possible, the data
27 reported to the legislative committees should be reported in numbers
28 and in percentages;

29 (29) Adopt rules as necessary to implement this chapter.

30 The board may delegate to the director any of the functions of this
31 section.

32 **Sec. 7.** RCW 28C.18.080 and 1997 c 369 s 5 are each amended to read
33 as follows:

34 (1) The state comprehensive plan for workforce training and
35 education shall be updated every two years and presented to the
36 governor and the appropriate legislative policy committees. Following
37 public hearings, the legislature shall, by concurrent resolution,

1 approve or recommend changes to the initial plan and the updates. The
2 plan shall then become the state's workforce training policy unless
3 legislation is enacted to alter the policies set forth in the plan.

4 (2) The comprehensive plan shall include workforce training role
5 and mission statements for the workforce development programs of
6 operating agencies represented on the board and sufficient specificity
7 regarding expected actions by the operating agencies to allow them to
8 carry out actions consistent with the comprehensive plan.

9 (3) Operating agencies represented on the board shall have
10 operating plans for their workforce development efforts that are
11 consistent with the comprehensive plan and that provide detail on
12 implementation steps they will take to carry out their responsibilities
13 under the plan. Each operating agency represented on the board shall
14 provide an annual progress report to the board.

15 (4) The comprehensive plan shall include recommendations to the
16 legislature and the governor on the modification, consolidation,
17 initiation, or elimination of workforce training and education programs
18 in the state.

19 (5) The comprehensive plan shall (~~address how the state's~~
20 ~~workforce development system will meet the needs of employers hiring~~
21 ~~for industrial projects of statewide significance~~) identify the
22 strategic industry clusters targeted by the workforce development
23 system. In identifying the strategic clusters, the board shall consult
24 with the economic development commission to identify clusters that meet
25 the criteria identified by the working group convened by the economic
26 development commission and the workforce training and education
27 coordinating board under RCW 43.330.280.

28 (6) The board shall report to the appropriate legislative policy
29 committees by December 1st of each year on its progress in implementing
30 the comprehensive plan and on the progress of the operating agencies in
31 meeting their obligations under the plan.

32 NEW SECTION. Sec. 8. A new section is added to chapter 28C.18 RCW
33 to read as follows:

34 (1) Workforce development councils, in partnership with local
35 elected officials, shall develop and maintain a local unified plan for
36 the workforce development system including, but not limited to, the
37 local plan required by P.L. 105-220, Title I. The unified plan shall

1 include a strategic plan that assesses local employment opportunities
2 and skill needs, the present and future workforce, the current
3 workforce development system, information on financial resources,
4 diversity, goals, objectives, and strategies for the local workforce
5 development system, and a system-wide financial strategy for
6 implementing the plan. Local workforce development councils shall
7 submit their strategic plans to the board for review and to the
8 governor for approval.

9 (2) The strategic plan shall clearly articulate the connection
10 between workforce and economic development efforts in the local area
11 including the area industry clusters and the strategic clusters the
12 community is targeting for growth. The plan shall include, but is not
13 limited to:

14 (a) Data on current and projected employment opportunities in the
15 local area;

16 (b) Identification of workforce investment needs of existing
17 businesses and businesses considering location in the region, with
18 special attention to industry clusters;

19 (c) Identification of educational, training, employment, and
20 support service needs of jobseekers and workers in the local area,
21 including individuals with disabilities and other underrepresented
22 talent sources;

23 (d) Analysis of the industry demand, potential labor force supply,
24 and educational, employment, and workforce support available to
25 businesses and jobseekers in the region; and

26 (e) Collaboration with associate development organizations in
27 regional planning efforts involving combined strategies around
28 workforce development and economic development policies and programs.
29 Combined planning efforts shall include, but not be limited to,
30 assistance to industry clusters in the area.

31 (3) The board shall work with workforce development councils to
32 develop implementation and funding strategies for purposes of this
33 section.

34 **Sec. 9.** RCW 43.162.020 and 2007 c 232 s 4 are each amended to read
35 as follows:

36 The Washington state economic development commission shall:

1 (1) Concentrate its major efforts on planning, coordination,
2 evaluation, policy analysis, and recommending improvements to the
3 state's economic development system using, but not limited to, the
4 "Next Washington" plan and the global competitiveness council
5 recommendations;

6 (2) Develop and maintain on a biennial basis a state comprehensive
7 plan for economic development, including but not limited to goals,
8 objectives, and priorities for the state economic development system;
9 identify the elements local associate development organizations must
10 include in their countywide economic development plans; and review the
11 state system for consistency with the state comprehensive plan. The
12 plan shall include the industry clusters in the state and the strategic
13 clusters targeted by the commission for economic development efforts.
14 The commission shall consult with the workforce training and education
15 coordinating board and include labor market and economic information by
16 the employment security department in developing the list of clusters
17 and strategic clusters that meet the criteria identified by the working
18 group convened by the economic development commission and the workforce
19 training and education coordinating board under chapter 43.330 RCW. In
20 developing the state comprehensive plan for economic development, the
21 commission shall use, but may not be limited to: Economic, labor
22 market, and populations trend reports in office of financial management
23 forecasts; the annual state economic climate report prepared by the
24 economic climate council; joint office of financial management and
25 employment security department labor force, industry employment, and
26 occupational forecasts; the results of scientifically based outcome
27 evaluations; the needs of industry associations, industry clusters,
28 businesses, and employees as evidenced in formal surveys and other
29 input;

30 (3) Establish and maintain an inventory of the programs of the
31 state economic development system and related state programs; perform
32 a biennial assessment of the ongoing and strategic economic development
33 needs of the state; and assess the extent to which the economic
34 development system and related programs represent a consistent,
35 coordinated, efficient, and integrated approach to meet such needs; and

36 (4) Produce a biennial report to the governor and the legislature
37 on progress by the commission in coordinating the state's economic

1 development system and meeting the other obligations of this chapter,
2 as well as include recommendations for any statutory changes necessary
3 to enhance operational efficiencies or improve coordination.

4 The commission may delegate to the executive director any of the
5 functions of this section.

6 **Sec. 10.** RCW 43.330.080 and 2007 c 249 s 2 are each amended to
7 read as follows:

8 The department shall contract with county-designated associate
9 development organizations to increase the support for and coordination
10 of community and economic development services in communities or
11 regional areas. The organizations contracted with in each community or
12 regional area shall be broadly representative of community and economic
13 interests. The organization shall be capable of identifying key
14 economic and community development problems, developing appropriate
15 solutions, and mobilizing broad support for recommended initiatives.
16 The contracting organization shall work with and include local
17 governments, local chambers of commerce, workforce development
18 councils, port districts, labor groups, institutions of higher
19 education, community action programs, and other appropriate private,
20 public, or nonprofit community and economic development groups. The
21 scope of services delivered under these contracts shall include two
22 broad areas of work:

23 (1) Direct assistance, including business planning, to companies
24 who need support to stay in business, expand, or relocate to Washington
25 from out of state or other countries. Assistance includes:

26 (a) Working with the appropriate partners, including but not
27 limited to, local governments, workforce development (~~(organizations)~~)
28 councils, port districts, community and technical colleges and higher
29 education institutions, export assistance providers, the Washington
30 manufacturing services, the Washington state quality award(~~(7)~~)
31 council, small business assistance programs, and other federal, state,
32 and local programs to facilitate the alignment of planning efforts and
33 the seamless delivery of business support services in the county;

34 (b) Providing information on state and local permitting processes,
35 tax issues, and other essential information for operating, expanding,
36 or locating a business in Washington;

1 (c) Marketing Washington and local areas as excellent locations to
2 expand or relocate a business and positioning Washington as a globally
3 competitive place to grow business, which may include developing and
4 executing regional plans to attract companies from out of state;

5 (d) Working with businesses on site location and selection
6 assistance;

7 (e) Providing business retention and expansion services, including
8 business outreach and monitoring efforts to identify and address
9 challenges and opportunities faced by businesses; and

10 (f) (~~Participate~~—~~{Participating}~~) Participating in economic
11 development system-wide discussions regarding gaps in business start-up
12 assistance in Washington; and

13 (2) Support for regional economic research and regional planning
14 efforts to implement target industry sector strategies and other
15 economic development strategies, including cluster-based strategies,
16 that support increased living standards and increase foreign direct
17 investment throughout Washington. Activities include:

18 (a) Participation in regional planning efforts with workforce
19 development councils involving (~~combined~~) coordinated strategies
20 around workforce development and economic development policies and
21 programs. Coordinated planning efforts shall include, but not be
22 limited to, assistance to industry clusters in the region;

23 (b) Participation between the contracting organization (~~shall~~
24 ~~participate with~~) and the state board for community and technical
25 colleges as created in RCW 28B.50.050, and any community and technical
26 colleges in providing for the coordination of the job skills training
27 program and the customized training program within its region;

28 (~~(b)~~) (c) Collecting and reporting data as specified by the
29 contract with the department for statewide systemic analysis. The
30 department shall consult with the Washington state economic development
31 commission in the establishment of such uniform data as is needed to
32 conduct a statewide systemic analysis of the state's economic
33 development programs and expenditures. In cooperation with other
34 local, regional, and state planning efforts, contracting organizations
35 may provide insight into the needs of target industry clusters,
36 business expansion plans, early detection of potential relocations or
37 layoffs, training needs, and other appropriate economic information;

1 (~~(e)~~) (d) In conjunction with other governmental jurisdictions
2 and institutions, participate in the development of a countywide
3 economic development plan, consistent with the state comprehensive plan
4 for economic development developed by the Washington state economic
5 development commission.

6 NEW SECTION. **Sec. 11.** By December 15, 2010, the workforce
7 training and education coordinating board, the economic development
8 commission, the department of community, trade, and economic
9 development, the employment security department, and the state board
10 for community and technical colleges shall provide a written progress
11 report to the appropriate committees of the legislature on concrete
12 actions taken, individually and collectively, to achieve the intent and
13 objectives of this act. The report must include a description of:

14 (1) Direct services or funding provided to regional industry
15 clusters by state agencies;

16 (2) Centers of excellence designated and funded;

17 (3) Industry clusters and strategic industry clusters identified in
18 state and local strategic plans;

19 (4) How the analysis of labor market and economic data was used to
20 identify clusters;

21 (5) How associate development organizations and workforce
22 development councils are jointly planning and delivering services to
23 companies and the workforce at regional and local levels;

24 (6) How workforce training priorities, the state's long-term
25 economic development strategy, and entrepreneurial development efforts
26 are being coordinated; and

27 (7) Quantitative and qualitative outcomes that have resulted from
28 these actions."

29 Correct the title.

EFFECT: Directs state and local economic and workforce
development organizations to coordinate among workforce training
priorities, the state's long-term economic development strategy,
industry cluster assistance, and entrepreneurial development.

Defines "center of excellence" and directs the State Board for Community and Technical Colleges to designate and fund new and existing centers on a competitive basis.

Defines "workforce development council" and requires local councils to develop and maintain unified workforce development system plans.

Requires the state agencies to provide a written progress report by December 15, 2010, on actions taken to achieve the intent and objectives of the act.

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