

SENATE BILL REPORT

E2SHB 2227

As of March 23, 2009

Title: An act relating to green jobs.

Brief Description: Enacting the evergreen jobs act.

Sponsors: House Committee on Education Appropriations (originally sponsored by Representatives Probst, Orwall, Santos, Nelson, Sullivan, Lias, Williams, Carlyle, Maxwell, Conway, Morrell, White, Goodman, Jacks, Kenney and Seaquist).

Brief History: Passed House: 3/09/09, 76-19.

Committee Activity: Economic Development, Trade & Innovation: 3/19/09.

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, TRADE & INNOVATION

Staff: Philip Brady (786-7460)

Background: The Green Economy Jobs Growth Initiative (Green Jobs Initiative) was enacted during the 2008 legislative session to increase the number of clean energy jobs in the state to 25,000 by 2020. It required a number of actions by agencies including the Department of Community, Trade and Economic Development (CTED), the Employment Security Department, the Workforce Training and Education Coordinating Board (WTB), the State Board for Community and Technical Colleges (SBCTC), the Washington State University Small Business Development Center, the University of Washington Business and Economic Development Center, and the Higher Education Coordinating Board.

The Green Industries Job Training Account (Account) was created, and expenditures may be used only for competitive grants (1) to train workers for high-wage occupations in high-demand industries related to the green economy; and (2) for educational purposes related to the green economy. The WTB must create and pilot green industry skill panels in order to distribute grants for training workers. The SBCTC may distribute grants when other public or private funds are insufficient or unavailable, for purposes including curriculum development; transitional job strategies for dislocated workers in declining industries; workforce education; and adult basic and remedial education.

In response to the directives in the Green Jobs Initiative, CTED convened a Green Economy Jobs Initiative Advisory Team with representatives from state government, education, labor, business, environmental, and technology stakeholder groups. In February 2009 CTED

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provided the Legislature with a draft report on their work, "Washington State's Green Economy-A Strategic Framework."

Summary of Bill: The Legislature finds that federal and state policies include new investments in green industry research and development, green energy production incentives, green energy installation, and energy efficiency retrofits, and intends that the state create a highly skilled, green jobs work force through targeted allocation of existing education and training funds as well as federal appropriations.

The Washington Evergreen Jobs Initiative is established to (1) create 15,000 new green economy jobs by 2020; (2) target 30 percent of these jobs to veterans, National Guard members, and low-income and disadvantaged populations; (3) coordinate state agencies to secure and deploy federal funds in a focused, effective way; (4) prepare the workforce to take full advantage of green economy job opportunities; (5) attract private sector investment for job creation and expansion; (6) make the state a net exporter of green industry products and services; (7) empower green job recruitment and training by local workforce development councils (WDCs) and associate development organizations (ADOs); and (8) capitalize upon existing partnership agreements.

The CTED and the WTB will work with specified stakeholders to develop and maintain a list of projects that create green jobs and long-term economic and environmental impact; develop a process and criteria for soliciting and evaluating priority projects, including specified criteria; create a more focused "green jobs" definition; accelerate and coordinate efforts to identify and secure funding; coordinate federal funding applications with local project funding; consult with the Energy Extension Program; develop, track, and report on specific performance metrics; and focus on additional local projects or additional high-demand fields as necessary. The agencies must provide a report to the Legislature by December 1, 2009, and then submit quarterly reports to the Legislature on performance metrics and actual outcomes.

Priority for funding is placed on programs that lead to credentials, certificates, or degrees in green economy jobs, increase capacity for ADOs and WDCs to respond to future priority projects and recruitment opportunities, and maximize partnership with various stakeholder groups.

The Account is renamed the Evergreen Jobs Account and the Account may accept public or private gifts, grants, or endowments. Competitive grant funds may be used to coordinate outreach efforts by higher education institutions and WDCs.

The University of Washington Business and Economic Development Center is no longer required to study current opportunities in the green economy for minority- and women-owned business enterprises.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: Oregon is getting a lot of jobs (1,300) and investment (\$500 million) in green energy technologies. It's a \$70 billion industry and will triple in the next ten years. The Federal Recovery Act has \$100 billion in competitive funds, with tens of billions for renewable energy. This program would create a coordinated and successful effort all the way down to the local level to capture these funds. These funds could be used to train people so that future projects wouldn't have to be delayed. It would build on existing efforts without being overly bureaucratic. Washington is ahead of the green economy game, but providing the right incentives would reinforce that advantage. The ability to respond quickly to receive federal funds is good, so the bill should be more goal-oriented and less prescriptive, and should focus on new funds rather than reallocating existing funds. "Green jobs" shouldn't be defined narrowly because we can't know what they will be in the future. Washington was the first state to create a green jobs program, and this expansion would help Washington compete with other states who are creating these kinds of efforts. It would connect people who need work with work that's needed. The carve out for veterans is important, because it won't leave anyone behind in training.

OTHER: There are a lot of positive things about this bill, but there are some things that need to be worked on. It should be flexible and not overly specific or exclusive. If it's too prescriptive, funds may not be able to flow through quickly. The goals are good, but the implementation needs work. The 14 policy principles created by CTED are valuable guiding principles. They should be used rather than creating new, specific metrics. This bill should be reconciled with SB 5649. The emphasis on green jobs shouldn't displace current emphasis on high-demand training. Employers are strongly interested in greening the existing economy rather than creating a new "green" economy.

Persons Testifying: PRO: Representative Probst, prime sponsor; Representative Orwall; Tina Bloomer, Washington State Board for Community and Technical Colleges; Miguel Perez-Gibson, Climate Solutions.

OTHER: Marie Sullivan, CTED; Amber Carter, Association of Washington Businesses; Carolyn McKinnon, Workforce Training Board.