H-2156.2

SUBSTITUTE HOUSE BILL 2227

State of Washington 61st Legislature 2009 Regular Session

By House Community & Economic Development & Trade (originally sponsored by Representatives Probst, Orwall, Santos, Nelson, Sullivan, Liias, Williams, Carlyle, Maxwell, Conway, Morrell, White, Goodman, Jacks, Kenney, and Seaquist)

READ FIRST TIME 02/23/09.

6

7

8

10

11

12 13

1415

- AN ACT Relating to green jobs; amending RCW 43.330.310; adding a new section to chapter 28B.50 RCW; adding a new section to chapter 28C.18 RCW; adding a new section to chapter 49.04 RCW; adding a new section to chapter 43.330 RCW; and creating new sections.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
 - NEW SECTION. Sec. 1. The legislature finds that 2009 American recovery and reinvestment act proposals include both new investments in research and development for green industries, green energy production, and incentives for installation and use of green energy and energy efficiency retrofits. The legislature further finds that state level proposals include additional incentives for installation of green energy and energy efficiency retrofits. These proposals also include new incentives for production of green energy, so that the state is not only using green energy, but also becoming a major supplier of green energy to the world.
- The legislature believes that these inputs will significantly increase demand for installation and production of green energy and energy efficiency retrofits. The legislature recognizes that this demand will cultivate job opportunities for Washington state residents

p. 1 SHB 2227

during economic downturns when such opportunities are particularly valuable. However, the state's residents and economy may be unable to take full advantage of these opportunities if there is a shortage of workers with the skills needed for production and installation jobs in green energy and energy efficiency.

Therefore, the legislature intends that Washington state excel in the green economy by creating a highly skilled green jobs workforce. Furthermore, the legislature intends to establish an even stronger focus on skills for green jobs within existing education and training funds, and to the maximum extent possible, allocate funds received from any federal appropriation to the evergreen jobs account.

Finally, the legislature intends to establish an evergreen jobs authority to ensure that the state's workforce is prepared for the new green economy; the state attracts investment and job creation in the green economy; makes Washington a net exporter of green energy technology and components; and otherwise ensures that Washington is a national and world leader in the green economy.

<u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 28B.50 RCW to read as follows:

- (1) The college board shall prioritize workforce training programs that lead to a credential, certificate, or degree in green economy jobs as established in chapter 14, Laws of 2008. For purposes of this section, green economy jobs include those in the primary industries of a green economy including clean energy, green building, green transportation, and environmental protection. Prioritization efforts shall include but not be limited to: (a) Prioritization of the use of high employer-demand funding for workforce training programs in green economy jobs; (b) increased outreach efforts to public utilities, education, labor and government, and private industry to develop tailored, green-job training programs; and (c) increased outreach efforts to target populations, including but not limited to low-income populations and communities of color. Outreach efforts shall be conducted in partnership with local workforce development councils.
- (2) For purposes of this section, "target populations" means (a) entry-level or incumbent workers who are in, or are preparing for, middle or high-wage high-demand occupations in the green economy; (b) dislocated workers in declining industries who may be retrained for

- 1 middle or high-wage occupations in the green economy; (c) eligible
- 2 veterans or national guard members; and (d) disadvantaged populations,
- 3 including but not limited to low-income populations and communities of
- 5 (3) The definitions in RCW 43.330.310(10) apply to this section.

color.

- 6 <u>NEW SECTION.</u> **Sec. 3.** A new section is added to chapter 28C.18 RCW to read as follows:
 - (1) The board shall prioritize workforce training programs that lead to a credential, certificate, or degree in green economy jobs as established in chapter 14, Laws of 2008. For purposes of this section, green economy jobs include those in the primary industries of a green economy, including clean energy, green building, green transportation, and environmental protection. Prioritization efforts shall include but not be limited to: (a) Prioritization of the use of high employer-demand funding for workforce training programs in green economy jobs; (b) increased outreach efforts to public utilities, education, labor and government, and private industry to develop tailored, green-job training programs; and (c) increased outreach efforts to target populations, including but not limited to low-income populations and communities of color.
 - (2) For purposes of this section, "target populations" means (a) entry-level or incumbent workers who are in, or are preparing for, middle or high-wage high-demand occupations in the green economy; (b) dislocated workers in declining industries who may be retrained for middle or high-wage occupations in the green economy; (c) eligible veterans or national guard members; and (d) disadvantaged populations, including but not limited to low-income populations and communities of color.
 - (3) The definitions in RCW 43.330.310(10) apply to this section.
- NEW SECTION. Sec. 4. A new section is added to chapter 49.04 RCW to read as follows:
- 12 (1) The council shall prioritize workforce training programs that
 13 lead to apprenticeship programs in green economy jobs as established in
 13 chapter 14, Laws of 2008. For purposes of this section, green economy
 13 jobs include those in the primary industries of a green economy,
 14 including clean energy, green building, green transportation, and

p. 3 SHB 2227

- environmental protection. Prioritization efforts shall include but not be limited to: (a) Prioritization of the use of high employer-demand funding for workforce training programs in green economy jobs; (b) increased outreach efforts to public utilities, education, labor and government, and private industry to develop tailored, green-job training programs; and (c) increased outreach efforts to target populations, including but not limited to low-income populations and communities of color.
 - (2) For purposes of this section, "target populations" means (a) entry-level or incumbent workers who are in, or are preparing for, middle or high-wage high-demand occupations in the green economy; (b) dislocated workers in declining industries who may be retrained for middle or high-wage occupations in the green economy; (c) eligible veterans or national guard members; and (d) disadvantaged populations, including but not limited to low-income populations and communities of color.
 - (3) The definitions in RCW 43.330.310(10) apply to this section.
- **Sec. 5.** RCW 43.330.310 and 2008 c 14 s 9 are each amended to read 19 as follows:
 - (1) The legislature establishes a comprehensive green economy jobs growth initiative based on the goal of, by 2020, increasing the number of green economy jobs to twenty-five thousand from the eight thousand four hundred green economy jobs the state had in 2004.
 - (2) The department, in consultation with the employment security department, the state workforce training and education coordinating board, the state board ((of [for])) for community and technical colleges, and the higher education coordinating board, shall develop a defined list of terms, consistent with current workforce and economic development terms, associated with green economy industries and jobs.
 - (3)(a) The employment security department, in consultation with the department, the state workforce training and education coordinating board, the state board for community and technical colleges, the higher education coordinating board, Washington State University small business development center, and the Washington State University extension energy program, shall conduct labor market research to analyze the current labor market and projected job growth in the green economy, the current and projected recruitment and skill requirement of

SHB 2227 p. 4

green economy industry employers, the wage and benefits ranges of jobs within green economy industries, and the education and training requirements of entry-level and incumbent workers in those industries.

1 2

3 4

5

6

7

8

9

10

11

12

13

1415

16

1718

19

20

21

22

23

24

25

26

27

28

2930

31

32

33

3435

36

37

- (b) The University of Washington business and economic development center shall: Analyze the current opportunities for and participation in the green economy by minority and women-owned business enterprises identify existing barriers to their Washington; successful participation in the green economy; and develop strategies with policy recommendations to improve their successful participation in the green economy. The research may be informed by research of the Puget Sound regional council prosperity partnership, as well as other entities. The University of Washington business and economic development center shall report to the appropriate committees of the house of representatives and the senate on their research, analysis, and recommendations by December 1, 2008.
- (4) Based on the findings from subsection (3) of this section, the employment security department, in consultation with the department and taking into account the requirements and goals of chapter 14, Laws of 2008 and other state clean energy and energy efficiency policies, shall which industries will be considered high-demand propose industries, based on current and projected job creation and their strategic importance to the development of the state's green economy. The employment security department and the department shall take into account which jobs within green economy industries will be considered middle or high-wage occupations and occupations that are part of career pathways to the same, based on family-sustaining wage and benefits ranges. These designations, and the results of the employment security department's broader labor market research, shall inform the planning and strategic direction of the department, the state workforce training and education coordinating board, the state board for community and technical colleges, and the higher education coordinating board.
- (5) The department shall identify emerging technologies and innovations that are likely to contribute to advancements in the green economy, including the activities in designated innovation partnership zones established in RCW 43.330.270.
- (6) The department, consistent with the priorities established by the state economic development commission, shall:

p. 5 SHB 2227

(a) Develop targeting criteria for existing investments, and make recommendations for new or expanded financial incentives and comprehensive strategies, to recruit, retain, and expand green economy industries and small businesses; and

1

2

3 4

5 6

7

8

9

10

11

12

13

1415

16 17

18

19

20

21

22

2324

2526

27

2829

30

31

3233

3435

36

37

38

- (b) Make recommendations for new or expanded financial incentives and comprehensive strategies to stimulate research and development of green technology and innovation, including designating innovation partnership zones linked to the green economy.
- (7) For the purposes of this section, "target populations" means entry-level or incumbent workers ((in high-demand green industries)) who are in, or are preparing for, middle or high-wage high-demand occupations in the green economy; (b) dislocated workers in declining industries who may be retrained for <u>middle or</u> high-wage occupations in ((high-demand green industries)) the green economy; (c) ((dislocated agriculture, timber, or energy sector workers who may be retrained for high-wage occupations in high-demand green industries; eligible veterans or national guard members; (((e))) (d) disadvantaged populations; or $((\frac{f}{f}))$ (e) anyone eliqible to participate in the state opportunity grant program under RCW 28B.50.271.
- (8) The legislature directs the state workforce training and education coordinating board to create and pilot green industry skill These panels shall consist of business representatives from industry sectors related to clean energy, labor unions representing workers in those industries or labor affiliates administering stateapproved, joint apprenticeship programs or labor-management partnership programs that train workers for these industries, state and local veterans agencies, employer associations, educational institutions, and local workforce development councils within the region that the panels propose to operate, and other key stakeholders as determined by the Any of these stakeholder organizations are eligible to receive grants under this section and serve as the intermediary that convenes and leads the panel. Panel applicants must provide labor market and industry analysis that demonstrates high demand, or demand of strategic importance to the development of the state's clean energy economy as identified in this section, for middle or high-wage occupations, or occupations that are part of career pathways to the same, within the relevant industry sector. The panel shall:

- 1 (a) Conduct labor market and industry analyses, in consultation 2 with the employment security department, and drawing on the findings of 3 its research when available;
 - (b) Plan strategies to meet the recruitment and training needs of the industry and small businesses; and
 - (c) Leverage and align other public and private funding sources.
- (9) The ((green industries)) evergreen jobs ((training)) account is 7 created in the state treasury. Funds deposited to the account may 8 include gifts, grants, or endowments from public or private sources, in 9 trust or otherwise. Moneys from the account must be utilized to 10 11 supplement the state opportunity grant program established under RCW 12 28B.50.271. All receipts from appropriations directed to the account 13 must be deposited into the account. Expenditures from the account may be used only for the activities identified in this subsection. 14 state board for community and technical colleges, in consultation with 15 the state workforce training and education coordinating board, informed 16 17 by the research of the employment security department and the strategies developed in this section, may authorize expenditures from 18 19 the account. The state board for community and technical colleges must 20 distribute grants from the account on a competitive basis.
 - (a)(i) Allowable uses of these grant funds, which should be used when other public or private funds are insufficient or unavailable, may include:
 - (A) Curriculum development;

4

5

6

21

22

23

24

2526

27

28

31

32

33

34

3536

37

38

- (B) Transitional jobs strategies for dislocated workers in declining industries who may be retrained for <u>middle or</u> high-wage occupations in green industries;
 - (C) Workforce education to target populations; ((and))
- 29 (D) Adult basic and remedial education as necessary linked to 30 occupation skills training; and
 - (E) Coordination of outreach efforts by institutions of higher education and workforce development councils.
 - (ii) Allowable uses of these grant funds do not include student assistance and support services available through the state opportunity grant program under RCW 28B.50.271.
 - (b) Applicants eligible to receive these grants may be any organization or a partnership of organizations that has demonstrated expertise in:

p. 7 SHB 2227

1 (i) Implementing effective education and training programs that 2 meet industry demand; and

3

4

5

6 7

8

9

11

1213

- (ii) Recruiting and supporting, to successful completion of those training programs carried out under these grants, the target populations of workers.
- (c) In awarding grants from the green industries jobs training account, the state board for community and technical colleges shall give priority to applicants that demonstrate the ability to:
- (i) Use labor market and industry analysis developed by the employment security department and green industry skill panels in the design and delivery of the relevant education and training program, and otherwise utilize strategies developed by green industry ((skills {skill})) skill panels;
- (ii) Leverage and align existing public programs and resources and private resources toward the goal of recruiting, supporting, educating, and training target populations of workers;
- 17 (iii) Work collaboratively with other relevant stakeholders in the 18 regional economy;
- 19 (iv) Link adult basic and remedial education, where necessary, with occupation skills training;
- (v) Involve employers and, where applicable, labor unions in the determination of relevant skills and competencies and, where relevant, the validation of career pathways; and
- (vi) Ensure that supportive services, where necessary, are integrated with education and training and are delivered by organizations with direct access to and experience with the targeted population of workers.
- 28 (10) The definitions in this subsection apply to this section and 29 sections 2 through 4 of this act unless the context clearly requires 30 otherwise.
- 31 <u>(a) "Green economy" means the development and use of products and</u>
 32 <u>services that promote environmental protection, energy security, or</u>
 33 both.
- 34 <u>(b) "High-demand occupation" means an occupation with a substantial</u> 35 number of current or projected employment opportunities.
- NEW SECTION. Sec. 6. A new section is added to chapter 43.330 RCW to read as follows:

1 (1) The evergreen jobs authority is established as provided in law. 2 The authority is responsible for:

- (a) Managing, directing, inventorying, and coordinating state efforts to promote, develop, and encourage evergreen jobs in Washington;
- (b) Working with the state board for community and technical colleges, the workforce training and education coordinating board, and Washington state apprenticeship and training councils to develop a plan, or a series of plans, to prioritize existing funding streams related to workforce training programs that lead to a credential, certificate, or degree in green economy jobs;
- (c) Identifying regional industry clusters and cluster associations in the green jobs industry and working with local workforce development councils, governments, and other entities to support those entities, whenever possible;
- (d) In collaboration with local businesses in the green jobs industry, identifying existing and anticipated statewide and local skill gaps and labor shortages;
- (e) Implementing a green employment study of public sector organizations to provide a comprehensive estimate of green jobs across the state;
- (f) In collaboration with the employment security department and the workforce training and education coordinating board, developing a strategic plan with performance metrics to create fifteen thousand green jobs statewide by the year 2020; and
- 26 (g) Implementing the programs created in RCW 43.330.310 and chapter 43.325 RCW.
 - (2)(a) The authority shall issue a preliminary progress report to the appropriate committees of the legislature by December 1, 2009. The report shall include, but not be limited to, methods to encourage the creation and promotion of businesses in the green jobs industry in Washington state.
- 33 (b) The authority shall issue a final report, updating the findings 34 from the preliminary report, by December 1, 2010.
- 35 NEW SECTION. Sec. 7. This act may be known and cited as the

p. 9 SHB 2227

1 evergreen jobs act.

--- END ---