
ENGROSSED SECOND SUBSTITUTE HOUSE BILL 2227

State of Washington

61st Legislature

2009 Regular Session

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

READ FIRST TIME 03/02/09.

1 AN ACT Relating to green jobs; amending RCW 43.330.310; adding a
2 new section to chapter 28B.50 RCW; adding a new section to chapter
3 28C.18 RCW; adding a new section to chapter 49.04 RCW; and creating new
4 sections.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** The legislature finds that the 2009 American
7 recovery and reinvestment act includes new investments in research and
8 development for green industries, renewable energy production, and
9 incentives for installation and use of renewable energy and energy
10 efficiency retrofits. The legislature further finds that state level
11 initiatives include additional incentives for installation of renewable
12 energy and energy efficiency retrofits. These initiatives also include
13 new incentives for production of renewable energy, so that the state is
14 not only using renewable energy, but also becoming a major supplier of
15 renewable energy to the world.

16 The legislature believes that these inputs will significantly
17 increase demand for installation and production of renewable energy and
18 energy efficiency retrofits. The legislature recognizes that this
19 demand will cultivate job opportunities for Washington state residents

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

6 Therefore, the legislature intends that Washington state excel in
7 the green economy by creating a highly skilled green jobs workforce.
8 Furthermore, the legislature intends to establish an even stronger
9 focus on skills for green jobs within existing education and training
10 funds, and to direct any funds received from the 2009 American recovery
11 and reinvestment act to an evergreen jobs initiative.

12 The legislature intends to establish the evergreen jobs initiative
13 to ensure: That the state's workforce is prepared for the new green
14 economy; that the state attracts investment and job creation in the
15 green economy; that the state is a net exporter of green industry
16 products and services, with special attention to renewable energy
17 technology and components; and that Washington is a national and world
18 leader in the green economy.

19 **Sec. 2.** RCW 43.330.310 and 2008 c 14 s 9 are each amended to read
20 as follows:

21 ~~(1) ((The legislature establishes a comprehensive green economy
22 jobs growth initiative based on the goal of, by 2020, increasing the
23 number of green economy jobs to twenty five thousand from the eight
24 thousand four hundred green economy jobs the state had in 2004.~~

25 (2)) The Washington state evergreen jobs initiative is established
26 with the following primary goals:

27 (a) To create fifteen thousand new green economy jobs by 2020;

28 (b) To target thirty percent of these new jobs to veterans, members
29 of the national guard, and low-income and disadvantaged populations;

30 (c) To create a coordinated effort across state agencies to draw
31 down federal funds and deploy them in a focused, effective, and
32 coordinated manner;

33 (d) To prepare the state's workforce to take full advantage of
34 green economy job opportunities;

35 (e) To attract private sector investment that will result in job
36 creation and expansion;

1 (f) To make the state a net exporter of green industry products and
2 services, with special attention to renewable energy technology and
3 components;

4 (g) To empower green job recruitment and training by local
5 workforce development councils and associate development organizations
6 by providing rapidly accessible funding and strong support from state
7 agencies; and

8 (h) To capitalize upon partnership agreements already established
9 in the governor's Washington works plan and the Washington workforce
10 compact.

11 (2) The department and the workforce training and education
12 coordinating board shall work with a working group including the state
13 board for community and technical colleges, the employment security
14 department, business, organized labor, workforce development councils,
15 associate development organizations, and higher education to:

16 (a) Develop and maintain a regularly updated and prioritized list
17 of projects across the state that will create green jobs and have long-
18 term economic and environmental impact;

19 (i) To ensure that projects with high economic or environmental
20 impact are strongly supported, the department, workforce training and
21 education coordinating board, and the working group must develop a
22 process and specific criteria for soliciting and evaluating evergreen
23 jobs act priority projects, which may be proposed by organizations
24 including associate development organizations and workforce development
25 councils statewide. The evaluation criteria must include, but not be
26 limited to, whether the project will:

27 (A) Create short-term jobs;

28 (B) Create long-term jobs;

29 (C) Position the state to become a major exporter of renewable
30 energy technology and components;

31 (D) Strengthen the state's competitiveness in a targeted niche
32 within the green economy; and

33 (E) Create lasting environmental benefits;

34 (ii) Projects that demonstrate the following characteristics shall
35 be awarded additional points in the evaluation process:

36 (A) Compliance with the prevailing wage provisions of chapter 39.12
37 RCW or with area standard wages for public works as determined by the
38 department of labor and industries;

1 (B) Employment opportunities for veterans, members of the national
2 guard, and low-income and disadvantaged populations; and

3 (C) Quality and training standards that ensure that fifteen percent
4 of the labor hours will be performed by apprentices;

5 (b) Create a more focused definition of green jobs, including but
6 not limited to jobs that promote energy efficiency and conservation,
7 sustainable materials, and production of alternative, sustainable
8 energy, and report progress to the appropriate committees of the
9 legislature;

10 (c) Accelerate and coordinate efforts to identify and secure any
11 and all potential sources of funding, with a particular emphasis on
12 funds available from the federal government under the 2009 American
13 recovery and reinvestment act, to support evergreen jobs act priority
14 projects and accomplish the additional goals of this initiative;

15 (d) Use the list of evergreen jobs act priority projects to inform
16 and coordinate applications for federal funding, and to coordinate
17 funding and implementation for local projects from multiple state
18 agencies. This requirement for consultation and coordination among
19 state agencies shall not be construed as a requirement for any agency
20 to gain approval from another before allocating funding to the local
21 level;

22 (e) Coordinate, streamline, and accelerate project support so that
23 local associate development organizations and workforce development
24 councils will be empowered to comprehensively and rapidly respond to
25 job creation and workforce training opportunities. Each associate
26 development organization and workforce development council shall report
27 to the legislature annually regarding the effectiveness and timeliness
28 of support provided by state agencies under this section and sections
29 3 through 5 of this act;

30 (f) Ensure that public utility district and community action agency
31 weatherization projects similarly receive coordinated, streamlined, and
32 accelerated state support, including a steady supply of appropriately
33 skilled workers;

34 (g) Consult with the Washington State University energy extension
35 program, when necessary, to determine which energy efficiency and
36 renewable energy improvement technologies are appropriate;

37 (h) Develop, track, and report performance metrics, including but
38 not limited to:

1 (i) The number of new green jobs created each year;
2 (ii) The number of new green jobs created for veterans, members of
3 the national guard, and low-income and disadvantaged populations;
4 (iii) Wage levels of jobs created;
5 (iv) The total amount of new federal funding secured and the
6 respective amounts allocated to the state and local levels; and
7 (v) The timeliness of deployment of funding by state agencies to
8 the local level;
9 (i) Focus on additional local projects or additional high employer-
10 demand fields as necessary and report performance in these fields in
11 the same manner described in (h) of this subsection;
12 (j) Provide a progress report to appropriate committees of the
13 legislature on December 1, 2009, that includes:
14 (i) Methods to encourage the creation and expansion of businesses
15 and jobs in the state's green economy;
16 (ii) Actions and accomplishments in securing funds from the federal
17 government and other external sources;
18 (iii) Recommended performance metrics;
19 (iv) Actual performance outcomes to date; and
20 (v) A list of evergreen jobs act priority projects and actions
21 taken to date on each;
22 (k) Provide quarterly performance reports thereafter to appropriate
23 committees of the legislature that include, at a minimum, the following
24 information:
25 (i) Performance metrics and actual performance outcomes to date;
26 (ii) The updated list of evergreen jobs act priority projects and
27 actions taken to date on each;
28 (iii) A summary of actions taken to empower local organizations as
29 required in (e) and (f) of this subsection; and
30 (iv) Reports from local associate development organizations and
31 workforce development councils on the effectiveness and timeliness of
32 state support for their efforts.
33 (3) The workforce training and education coordinating board, in
34 consultation with the department, shall develop a plan or a series of
35 plans to prioritize existing and new funding streams related to
36 workforce training programs and education that lead to a credential,
37 certificate, or degree in green economy jobs and increase capacity for

1 associate development organizations and workforce development councils
2 to respond to priority projects in the future.

3 (4) The department and workforce training and education
4 coordinating board shall identify strategies to allocate and direct
5 existing and new funding streams to workforce development councils and
6 associate development organizations in a coordinated and efficient
7 manner, to reduce local staff time needed to draw down funds, and to
8 increase local capacity to respond rapidly and comprehensively to
9 opportunities to attract green jobs to local communities.

10 (5) The department, in consultation with the employment security
11 department, the state workforce training and education coordinating
12 board, the state board ((of-{for})) for community and technical
13 colleges, and the higher education coordinating board, shall develop a
14 defined list of terms, consistent with current workforce and economic
15 development terms, associated with green economy industries and jobs.

16 ((+3)(a)) (6) The employment security department, in consultation
17 with the department, the state workforce training and education
18 coordinating board, the state board for community and technical
19 colleges, the higher education coordinating board, Washington State
20 University small business development center, and the Washington State
21 University extension energy program, shall conduct labor market
22 research to analyze the current labor market and projected job growth
23 in the green economy, the current and projected recruitment and skill
24 requirement of green economy industry employers, the wage and benefits
25 ranges of jobs within green economy industries, and the education and
26 training requirements of entry-level and incumbent workers in those
27 industries.

28 ((b) — The — University — of — Washington — business — and — economic
29 ~~development center shall: Analyze the current opportunities for and~~
30 ~~participation in the green economy by minority and women-owned business~~
31 ~~enterprises in Washington; identify existing barriers to their~~
32 ~~successful participation in the green economy; and develop strategies~~
33 ~~with specific policy recommendations to improve their successful~~
34 ~~participation in the green economy. The research may be informed by~~
35 ~~the research of the Puget Sound regional prosperity~~
36 ~~partnership, as well as other entities. The University of Washington~~
37 ~~business and economic development center shall report to the~~

1 ~~appropriate committees of the house of representatives and the senate~~
2 ~~on their research, analysis, and recommendations by December 1, 2008.~~

3 ~~(4))~~ (7) Based on the findings from subsection ~~((3))~~ (6) of this
4 section, the employment security department, in consultation with the
5 department and taking into account the requirements and goals of
6 chapter 14, Laws of 2008 and other state clean energy and energy
7 efficiency policies, shall propose which industries will be considered
8 high-demand green industries, based on current and projected job
9 creation and their strategic importance to the development of the
10 state's green economy. The employment security department and the
11 department shall take into account which jobs within green economy
12 industries will be considered middle or high-wage occupations and
13 occupations that are part of career pathways to the same, based on
14 family-sustaining wage and benefits ranges. These designations, and
15 the results of the employment security department's broader labor
16 market research, shall inform the planning and strategic direction of
17 the department, the state workforce training and education coordinating
18 board, the state board for community and technical colleges, and the
19 higher education coordinating board.

20 ~~((5))~~ (8) The department shall identify emerging technologies and
21 innovations that are likely to contribute to advancements in the green
22 economy, including the activities in designated innovation partnership
23 zones established in RCW 43.330.270.

24 ~~((6))~~ (9) The department, consistent with the priorities
25 established by the state economic development commission, shall:

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

30 (b) Make recommendations for new or expanded financial incentives
31 and comprehensive strategies to stimulate research and development of
32 green technology and innovation, including designating innovation
33 partnership zones linked to the green economy.

34 ~~((7))~~ (10) For the purposes of this section, "target populations"
35 means (a) entry-level or incumbent workers ~~((in high-demand green~~
36 ~~industries))~~ who are in, or are preparing for, middle or high-wage
37 high-demand occupations in the green economy; (b) dislocated workers in
38 declining industries who may be retrained for middle or high-wage

1 occupations in (~~(high demand green industries)~~) the green economy; (c)
2 (~~(dislocated agriculture, timber, or energy sector workers who may be~~
3 ~~retrained for high wage occupations in high demand green industries;~~
4 ~~(d)~~) eligible veterans or national guard members; (~~(e)~~) (d)
5 disadvantaged populations; or (~~(f)~~) (e) anyone eligible to
6 participate in the state opportunity grant program under RCW
7 28B.50.271.

8 (~~(8)~~) (11) The legislature directs the state workforce training
9 and education coordinating board to create and pilot green industry
10 skill panels. These panels shall consist of business representatives
11 from industry sectors related to clean energy, labor unions
12 representing workers in those industries or labor affiliates
13 administering state-approved, joint apprenticeship programs or labor-
14 management partnership programs that train workers for these
15 industries, state and local veterans agencies, employer associations,
16 educational institutions, and local workforce development councils
17 within the region that the panels propose to operate, and other key
18 stakeholders as determined by the applicant. Any of these stakeholder
19 organizations are eligible to receive grants under this section and
20 serve as the intermediary that convenes and leads the panel. Panel
21 applicants must provide labor market and industry analysis that
22 demonstrates high demand, or demand of strategic importance to the
23 development of the state's clean energy economy as identified in this
24 section, for middle or high-wage occupations, or occupations that are
25 part of career pathways to the same, within the relevant industry
26 sector. The panel shall:

27 (a) Conduct labor market and industry analyses, in consultation
28 with the employment security department, and drawing on the findings of
29 its research when available;

30 (b) Plan strategies to meet the recruitment and training needs of
31 the industry and small businesses; and

32 (c) Leverage and align other public and private funding sources.

33 (~~(9)~~) (12) The (~~(green industries)~~) evergreen jobs (~~(training)~~)
34 account is created in the state treasury. Funds deposited to the
35 account may include gifts, grants, or endowments from public or private
36 sources, in trust or otherwise. Moneys from the account must be
37 utilized to supplement the state opportunity grant program established
38 under RCW 28B.50.271. All receipts from appropriations directed to the

1 account must be deposited into the account. Expenditures from the
2 account may be used only for the activities identified in this
3 subsection. The state board for community and technical colleges, in
4 consultation with the state workforce training and education
5 coordinating board, informed by the research of the employment security
6 department and the strategies developed in this section, may authorize
7 expenditures from the account. The state board for community and
8 technical colleges must distribute grants from the account on a
9 competitive basis.

10 (a)(i) Allowable uses of these grant funds, which should be used
11 when other public or private funds are insufficient or unavailable, may
12 include:

13 (A) Curriculum development;

14 (B) Transitional jobs strategies for dislocated workers in
15 declining industries who may be retrained for middle or high-wage
16 occupations in green industries;

17 (C) Workforce education to target populations; (~~and~~)

18 (D) Adult basic and remedial education as necessary linked to
19 occupation skills training; and

20 (E) Coordinated outreach efforts by institutions of higher
21 education and workforce development councils.

22 (ii) Allowable uses of these grant funds do not include student
23 assistance and support services available through the state opportunity
24 grant program under RCW 28B.50.271.

25 (b) Applicants eligible to receive these grants may be any
26 organization or a partnership of organizations that has demonstrated
27 expertise in:

28 (i) Implementing effective education and training programs that
29 meet industry demand; and

30 (ii) Recruiting and supporting, to successful completion of those
31 training programs carried out under these grants, the target
32 populations of workers.

33 (c) In awarding grants from the (~~green industries~~) evergreen jobs
34 (~~training~~) account, the state board for community and technical
35 colleges shall give priority to applicants that demonstrate the ability
36 to:

37 (i) Use labor market and industry analysis developed by the
38 employment security department and green industry skill panels in the

1 design and delivery of the relevant education and training program, and
2 otherwise utilize strategies developed by green industry (~~skills~~
3 ~~{skill}~~) skill panels;

4 (ii) Leverage and align existing public programs and resources and
5 private resources toward the goal of recruiting, supporting, educating,
6 and training target populations of workers;

7 (iii) Work collaboratively with other relevant stakeholders in the
8 regional economy;

9 (iv) Link adult basic and remedial education, where necessary, with
10 occupation skills training;

11 (v) Involve employers and, where applicable, labor unions in the
12 determination of relevant skills and competencies and, where relevant,
13 the validation of career pathways; and

14 (vi) Ensure that supportive services, where necessary, are
15 integrated with education and training and are delivered by
16 organizations with direct access to and experience with the targeted
17 population of workers.

18 (13) The definitions in this subsection apply throughout this
19 section and sections 3 through 5 of this act unless the context clearly
20 requires otherwise.

21 (a) "Apprentice" means an apprentice enrolled in an apprenticeship
22 training program approved by the Washington state apprenticeship
23 council.

24 (b) "High-demand occupation" means an occupation with a substantial
25 number of current or projected employment opportunities.

26 (c) "Labor hours" means the total hours of workers receiving an
27 hourly wage who are directly employed on the site of the project.
28 "Labor hours" includes hours performed by workers employed by the
29 contractor and all subcontractors working on the project. "Labor
30 hours" does not include hours worked by foremen, superintendents, and
31 owners.

32 NEW SECTION. Sec. 3. A new section is added to chapter 28B.50 RCW
33 to read as follows:

34 (1) The college board shall prioritize workforce training programs
35 that lead to a credential, certificate, or degree in green economy jobs
36 as established in chapter 14, Laws of 2008. For purposes of this
37 section, green economy jobs include those in the primary industries of

1 a green economy including clean energy, high-efficiency building, green
2 transportation, and environmental protection. Prioritization efforts
3 shall include but not be limited to: (a) Prioritization of the use of
4 high employer-demand funding for workforce training programs in green
5 economy jobs, provided that the programs meet minimum criteria for
6 identification as a high-demand program of study as defined by the
7 state board for community and technical colleges. Any additional
8 community and technical college high-demand funding authorized for the
9 2009-2011 fiscal biennium and thereafter is subject to prioritization;
10 (b) increased outreach efforts to public utilities, education, labor
11 and government, and private industry to develop tailored, green-job
12 training programs; and (c) increased outreach efforts to target
13 populations. Outreach efforts shall be conducted in partnership with
14 local workforce development councils.

15 (2) For purposes of this section, "target populations" means
16 veterans, members of the national guard, and low-income and
17 disadvantaged populations.

18 (3) The definitions in RCW 43.330.310(13) apply to this section.

19 NEW SECTION. **Sec. 4.** A new section is added to chapter 28C.18 RCW
20 to read as follows:

21 (1) The board shall prioritize workforce training programs that
22 lead to a credential, certificate, or degree in green economy jobs as
23 established in chapter 14, Laws of 2008. For purposes of this section,
24 green economy jobs include those in the primary industries of a green
25 economy, including clean energy, high-efficiency building, green
26 transportation, and environmental protection. Prioritization efforts
27 shall include but not be limited to: (a) Prioritization of the use of
28 high employer-demand funding for workforce training programs in green
29 economy jobs; (b) increased outreach efforts to public utilities,
30 education, labor and government, and private industry to develop
31 tailored, green-job training programs; and (c) increased outreach
32 efforts to target populations. Outreach efforts shall be conducted in
33 partnership with local workforce development councils.

34 (2) For purposes of this section, "target populations" means
35 veterans, members of the national guard, and low-income and
36 disadvantaged populations.

37 (3) The definitions in RCW 43.330.310(13) apply to this section.

1 NEW SECTION. **Sec. 5.** A new section is added to chapter 49.04 RCW
2 to read as follows:

3 (1) The council shall prioritize workforce training programs that
4 lead to apprenticeship programs in green economy jobs as established in
5 chapter 14, Laws of 2008. For purposes of this section, green economy
6 jobs include those in the primary industries of a green economy,
7 including clean energy, high-efficiency building, green transportation,
8 and environmental protection. Prioritization efforts shall include but
9 not be limited to: (a) Prioritization of the use of high employer-
10 demand funding for workforce training programs in green economy jobs;
11 (b) increased outreach efforts to public utilities, education, labor
12 and government, and private industry to develop tailored, green-job
13 training programs; and (c) increased outreach efforts to target
14 populations. Outreach efforts shall be conducted in partnership with
15 local workforce development councils.

16 (2) For purposes of this section, "target populations" means
17 veterans, members of the national guard, and low-income and
18 disadvantaged populations.

19 (3) The definitions in RCW 43.330.310(13) apply to this section.

20 NEW SECTION. **Sec. 6.** This act may be known and cited as the
21 evergreen jobs act.

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