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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, Liias, Williams, Carlyle, Maxwell, Conway, Morrell, White, Goodman, Jacks, Kenney, and Seaguist)

READ FIRST TIME 03/02/09.

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

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

6 NEW SECTION. Sec. 1. The legislature finds that 2009 American 7 recovery and reinvestment act proposals include both new investments in 8 research and development for green industries, green energy production, 9 and incentives for installation and use of green energy and energy 10 efficiency retrofits. The legislature further finds that state level proposals include additional incentives for installation of green 11 energy and energy efficiency retrofits. These proposals also include 12 13 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 14 15 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

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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 initiative 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.

NEW SECTION. Sec. 2. A new section is added to chapter 28C.18 RCW to read as follows:

- 20 (1) The Washington state evergreen jobs initiative is established 21 with the following primary goals:
 - (a) To create fifteen thousand new green economy jobs by 2020;
 - (b) To target thirty percent of these new jobs to veterans or members of the national guard, and to disadvantaged populations such as low-income persons and communities of color;
 - (c) To prepare the state's workforce to take full advantage of green economy job opportunities;
- 28 (d) To attract private sector investment that will result in job 29 creation and expansion;
- 30 (e) To make the state a net exporter of green energy technology and 31 components;
- 32 (f) To empower green job recruitment and training by local 33 workforce development councils and associate development organizations 34 by providing rapidly accessible funding to recruit and develop green 35 economy projects and green economy employers, and provide them with a 36 reliable supply of skilled workers; and

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- 1 (g) To capitalize upon partnership agreements already established 2 in the governor's Washington works plan and the Washington workforce 3 compact.
 - (2) The board shall convene an evergreen jobs initiative working group including representation from the following agencies and stakeholder interests, and is encouraged to use its own members in these roles as appropriate:
 - (a) The state board for community and technical colleges;
 - (b) The Washington state apprenticeship and training council;
 - (c) The department of community, trade, and economic development;
 - (d) The employment security department;
 - (e) The higher education coordinating board;
- 13 (f) The council of presidents;
- (g) Organized labor;

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- (h) A business organization;
- (i) Associate development organizations;
- (j) Workforce development councils;
- (k) One member from each of the two major caucuses of the senate, appointed by the president of the senate; and
- (1) One member of each of the two major caucuses of the house of representatives, appointed by the speaker of the house of representatives.
- (3) The board and working group shall accelerate and coordinate efforts to identify and secure any and all potential sources of funding to accomplish the goals of this initiative, with a particular emphasis on funds available from the federal government, including a coordinated effort to maximize receipt of competitive funding available under the American recovery and reinvestment act.
- (4) The board and working group shall develop a plan or a series of plans to prioritize existing and new funding streams related to workforce training programs and education that lead to a credential, certificate, or degree in green economy jobs.
- (5) The board and working group shall identify strategies to allocate and direct existing and new funding streams to workforce development councils and associate development organizations in a coordinated and efficient manner, to reduce local staff time needed to draw down funds, and to increase local capacity to respond rapidly and

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1 comprehensively to opportunities to attract green jobs to local 2 communities.

- (6) To provide guidance to the governor and the legislature for accomplishing the primary goals outlined in subsection (1) of this section, the board and working group shall develop a strategic plan that at a minimum identifies recommended state policies, programs, funding sources, and performance metrics.
- (7) The board and working group may focus on additional high-demand fields as necessary, and shall track additional jobs created in these fields in the same manner as it tracks green job creation for the purposes of chapter . . ., Laws of 2009 (this act).
- (8)(a) The board and working group shall provide a preliminary progress report to the appropriate committees of the legislature by December 1, 2009. The report shall include, but not be limited to:
 (i) Methods to encourage the creation and promotion of businesses in the green jobs industry in Washington state; and (ii) efforts and accomplishments to date in securing funds from the federal government and other external sources.
- 19 (b) The board and working group shall provide the strategic plan 20 required in subsection (6) of this section to the appropriate 21 committees of the legislature by December 1, 2010.
- 22 (9) If the working group does not secure competitive federal 23 funding by December 31, 2010, the working group terminates.
- NEW SECTION. Sec. 3. 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. Any additional community and technical college high-demand funding authorized for the 2009-2011 fiscal biennium and thereafter is subject to prioritization; (b) increased outreach efforts to public utilities, education, labor and government, and private

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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 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 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.

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(3) The definitions in RCW 43.330.310(10) apply to this section.

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

- (1) The council shall prioritize workforce training programs that lead to apprenticeship programs 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.
- **Sec. 6.** RCW 43.330.310 and 2008 c 14 s 9 are each amended to read 27 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.

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- (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 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.
- (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 Washington; identify existing barriers to their participation in the green economy; and develop strategies with policy recommendations to improve their specific 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 propose which industries will be considered high-demand green 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

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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.

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- (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:
- (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
- (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 (a) 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 middle or 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; $\frac{(d)}{(d)}$)) eligible veterans or national guard members; $((\frac{(d)}{(d)}))$ disadvantaged populations; or (((f))) (e) anyone eligible to participate in the state opportunity grant program RCW under 28B.50.271.
- (8) The legislature directs the state workforce training and education coordinating board to create and pilot green industry skill panels. 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 state-approved, 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

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propose to operate, and other key stakeholders as determined by the applicant. 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:

- (a) Conduct labor market and industry analyses, in consultation with the employment security department, and drawing on the findings of its research when available;
- 13 (b) Plan strategies to meet the recruitment and training needs of 14 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 created in the state treasury. Funds deposited to the account may include gifts, grants, or endowments from public or private sources, in trust or otherwise. Moneys from the account must be utilized to supplement the state opportunity grant program established under RCW 28B.50.271. All receipts from appropriations directed to the account must be deposited into the account. Expenditures from the account may be used only for the activities identified in this subsection. The state board for community and technical colleges, in consultation with the state workforce training and education coordinating board, informed by the research of the employment security department and the strategies developed in this section, may authorize expenditures from the account. The state board for community and technical colleges must distribute grants from the account on a competitive basis.
- 30 (a)(i) Allowable uses of these grant funds, which should be used 31 when other public or private funds are insufficient or unavailable, may 32 include:
 - (A) Curriculum development;

- (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))

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- 1 (D) Adult basic and remedial education as necessary linked to 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:
 - (i) Implementing effective education and training programs that meet industry demand; and
 - (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;
- 27 (iii) Work collaboratively with other relevant stakeholders in the regional economy;
- 29 (iv) Link adult basic and remedial education, where necessary, with 30 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.

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2	sections	2	through	5	of	thi	s act	unless	the	context	clear	rly	requi	res
3	otherwise	<u>.</u>												

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- (a) "Green economy" means the development and use of products and services that promote environmental protection, energy security, or both.
- 7 <u>(b) "High-demand occupation" means an occupation with a substantial</u> 8 <u>number of current or projected employment opportunities.</u>
- 9 <u>NEW SECTION.</u> **Sec. 7.** This act may be known and cited as the evergreen jobs act.

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