
SUBSTITUTE HOUSE BILL 2420

State of Washington

61st Legislature

2010 Regular Session

By House Community & Economic Development & Trade (originally sponsored by Representatives Kenney, Orcutt, Van De Wege, Conway, Kessler, Blake, Hope, Herrera, Lias, Sullivan, Campbell, Schmick, Quall, Dammeier, Chase, Takko, Morrell, and Smith)

READ FIRST TIME 01/22/10.

1 AN ACT Relating to the promotion of the industries that rely on the
2 state's working land base; amending RCW 43.330.310 and 43.330.375; and
3 creating a new section.

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

5 NEW SECTION. **Sec. 1.** (1) The legislature finds that it is in the
6 best interest of the state to support and enhance the critical economic
7 and environmental role that Washington's forest products industry plays
8 in the state. These roles not only provide a wide range of services
9 and goods both to Washingtonians and people around the world, but also
10 are vital to the well-being and lifestyle of the people of the state of
11 Washington.

12 (2) The legislature further finds that the state's forest practices
13 are sustainably managed according to some of the most stringent
14 riparian growing and harvest rules of any state in the nation or in the
15 world, and that the state of Washington has received fifty year
16 assurances from the federal government that the state's forest
17 practices satisfy the requirements of the federal endangered species
18 act for aquatic species. As part of their environmental stewardship,
19 forest landowners in Washington have repaired or removed nearly three

1 thousand fish passage barriers, returned nearly twenty-five hundred
2 miles of forest roads to their natural condition, and opened up nearly
3 fifteen hundred miles of riparian salmonid habitat.

4 (3) The legislature further finds that Washington's forests
5 naturally create habitat for fish and wildlife, clean water, and carbon
6 storage; all environmental benefits that are lost when land is
7 converted out of working forestry into another use. In recognition of
8 forestry's benefits, the international panel on climate change has
9 reported that a sustainable forest management strategy aimed at
10 maintaining or increasing forest carbon stocks, while producing an
11 annual sustained yield of timber, fiber, wood products, or energy from
12 the forest, will generate the largest sustained carbon mitigation
13 benefit.

14 (4) The legislature further finds that the forest products industry
15 is a seventeen billion dollar industry, making it Washington's second
16 largest manufacturing industry. The forest products industry alone
17 provides nearly forty-five thousand direct jobs and one hundred sixty-
18 two thousand indirect jobs, many located in rural areas.

19 (5) The legislature further finds that working forests help
20 generate wealth through recreation and tourism, the retention and
21 creation of green jobs, and through the production of wood products and
22 energy; a finding supported by the United States secretary of
23 agriculture.

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

26 (1) The legislature establishes a comprehensive green economy jobs
27 growth initiative based on the goal of, by 2020, increasing the number
28 of green economy jobs to twenty-five thousand from the eight thousand
29 four hundred green economy jobs the state had in 2004.

30 (2) The department, in consultation with the employment security
31 department, the state workforce training and education coordinating
32 board, the state board (~~(of—[for])~~) for community and technical
33 colleges, and the higher education coordinating board, shall develop a
34 defined list of terms, consistent with current workforce and economic
35 development terms, associated with green economy industries and jobs.

36 (3)(a) The employment security department, in consultation with the
37 department, the state workforce training and education coordinating

1 board, the state board for community and technical colleges, the higher
2 education coordinating board, Washington State University small
3 business development center, and the Washington State University
4 extension energy program, shall conduct labor market research to
5 analyze the current labor market and projected job growth in the green
6 economy, the current and projected recruitment and skill requirement of
7 green economy industry employers, the wage and benefits ranges of jobs
8 within green economy industries, and the education and training
9 requirements of entry-level and incumbent workers in those industries.

10 (i) The employment security department shall conduct an analysis of
11 occupations in the forest products industry to determine key growth
12 factors, employment projections, and to define the education and skill
13 standards required for current and emerging green occupations.

14 (ii) The term "forest products industry" must be given a broad
15 interpretation when implementing this section and include, at a
16 minimum, businesses that grow, manage, harvest, transport, and process
17 forest, wood, and paper products.

18 (b) The University of Washington business and economic development
19 center shall: Analyze the current opportunities for and participation
20 in the green economy by minority and women-owned business enterprises
21 in Washington; identify existing barriers to their successful
22 participation in the green economy; and develop strategies with
23 specific policy recommendations to improve their successful
24 participation in the green economy. The research may be informed by
25 the research of the Puget Sound regional council prosperity
26 partnership, as well as other entities. The University of Washington
27 business and economic development center shall report to the
28 appropriate committees of the house of representatives and the senate
29 on their research, analysis, and recommendations by December 1, 2008.

30 (4) Based on the findings from subsection (3) of this section, the
31 employment security department, in consultation with the department and
32 taking into account the requirements and goals of chapter 14, Laws of
33 2008 and other state clean energy and energy efficiency policies, shall
34 propose which industries will be considered high-demand green
35 industries, based on current and projected job creation and their
36 strategic importance to the development of the state's green economy.
37 The employment security department and the department shall take into
38 account which jobs within green economy industries will be considered

1 high-wage occupations and occupations that are part of career pathways
2 to the same, based on family-sustaining wage and benefits ranges.
3 These designations, and the results of the employment security
4 department's broader labor market research, shall inform the planning
5 and strategic direction of the department, the state workforce training
6 and education coordinating board, the state board for community and
7 technical colleges, and the higher education coordinating board.

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

12 (6) The department, consistent with the priorities established by
13 the state economic development commission, shall:

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

18 (b) Make recommendations for new or expanded financial incentives
19 and comprehensive strategies to stimulate research and development of
20 green technology and innovation, including designating innovation
21 partnership zones linked to the green economy.

22 (7) For the purposes of this section, "target populations" means
23 (a) entry-level or incumbent workers in high-demand green industries
24 who are in, or are preparing for, high-wage occupations; (b) dislocated
25 workers in declining industries who may be retrained for high-wage
26 occupations in high-demand green industries; (c) dislocated
27 agriculture, timber, or energy sector workers who may be retrained for
28 high-wage occupations in high-demand green industries; (d) eligible
29 veterans or national guard members; (e) disadvantaged populations; or
30 (f) anyone eligible to participate in the state opportunity grant
31 program under RCW 28B.50.271.

32 (8) The legislature directs the state workforce training and
33 education coordinating board to create and pilot green industry skill
34 panels. These panels shall consist of business representatives from:
35 Industry sectors related to clean energy, including energy derived from
36 wood biomass, liquid biofuels, or bio-based products; labor unions
37 representing workers in those industries or labor affiliates
38 administering state-approved, joint apprenticeship programs or labor-

1 management partnership programs that train workers for these
2 industries((τ))i state and local veterans agencies((τ))i employer
3 associations((τ))i educational institutions((τ~~andi local workforce
4 development councils within the region that the panels propose to
5 operate((τ))i and other key stakeholders as determined by the
6 applicant. Any of these stakeholder organizations are eligible to
7 receive grants under this section and serve as the intermediary that
8 convenes and leads the panel. Panel applicants must provide labor
9 market and industry analysis that demonstrates high demand, or demand
10 of strategic importance to the development of the state's clean energy
11 economy as identified in this section, for high-wage occupations, or
12 occupations that are part of career pathways to the same, within the
13 relevant industry sector. The panel shall:~~

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

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

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

20 (9) The green industries jobs training account is created in the
21 state treasury. Moneys from the account must be utilized to supplement
22 the state opportunity grant program established under RCW 28B.50.271.
23 All receipts from appropriations directed to the account must be
24 deposited into the account. Expenditures from the account may be used
25 only for the activities identified in this subsection. The state board
26 for community and technical colleges, in consultation with the state
27 workforce training and education coordinating board, informed by the
28 research of the employment security department and the strategies
29 developed in this section, may authorize expenditures from the account.
30 The state board for community and technical colleges must distribute
31 grants from the account on a competitive basis.

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

35 (A) Curriculum development;

36 (B) Transitional jobs strategies for dislocated workers in
37 declining industries who may be retrained for high-wage occupations in
38 green industries;

1 (C) Workforce education to target populations; and

2 (D) Adult basic and remedial education as necessary linked to
3 occupation skills training.

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

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

10 (i) Implementing effective education and training programs that
11 meet industry demand; and

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

15 (c) In awarding grants from the green industries jobs training
16 account, the state board for community and technical colleges shall
17 give priority to applicants that demonstrate the ability to:

18 (i) Use labor market and industry analysis developed by the
19 employment security department and green industry skill panels in the
20 design and delivery of the relevant education and training program, and
21 otherwise utilize strategies developed by green industry (~~skills~~
22 ~~{skill}~~) skill panels;

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

26 (iii) Work collaboratively with other relevant stakeholders in the
27 regional economy;

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

30 (v) Involve employers and, where applicable, labor unions in the
31 determination of relevant skills and competencies and, where relevant,
32 the validation of career pathways; and

33 (vi) Ensure that supportive services, where necessary, are
34 integrated with education and training and are delivered by
35 organizations with direct access to and experience with the targeted
36 population of workers.

1 **Sec. 3.** RCW 43.330.375 and 2009 c 536 s 4 are each amended to read
2 as follows:

3 (1) The department and the workforce board, in consultation with
4 the leadership team, must:

5 (a) Coordinate efforts across the state to ensure that federal
6 training and education funds are captured and deployed in a focused and
7 effective manner in order to support green economy projects and
8 accomplish the goals of the evergreen jobs initiative;

9 (b) Accelerate and coordinate efforts by state and local
10 organizations to identify, apply for, and secure all sources of funds,
11 particularly those created by the 2009 American recovery and
12 reinvestment act, and to ensure that distributions of funding to local
13 organizations are allocated in a manner that is time-efficient and
14 user-friendly for the local organizations. Local organizations
15 eligible to receive support include but are not limited to:

16 (i) Associate development organizations;

17 (ii) Workforce development councils;

18 (iii) Public utility districts; and

19 (iv) Community action agencies;

20 (c) Support green economy projects at both the state and local
21 level by developing a process and a framework to provide, at a minimum:

22 (i) Administrative and technical assistance;

23 (ii) Assistance with and expediting of permit processes; and

24 (iii) Priority consideration of opportunities leading to exportable
25 green economy goods and services, including renewable energy
26 technology;

27 (d) Coordinate local and state implementation of projects using
28 federal funds to ensure implementation is time-efficient and user-
29 friendly for local organizations;

30 (e) Emphasize through both support and outreach efforts, projects
31 that:

32 (i) Have a strong and lasting economic or environmental impact;

33 (ii) Lead to a domestically or internationally exportable good or
34 service, including renewable energy technology;

35 (iii) Create training programs leading to a credential,
36 certificate, or degree in a green economy field;

37 (iv) Strengthen the state's competitiveness in a particular sector
38 or cluster of the green economy;

- 1 (v) Create employment opportunities for veterans, members of the
2 national guard, and low-income and disadvantaged populations;
- 3 (vi) Comply with prevailing wage provisions of chapter 39.12 RCW;
- 4 (vii) Ensure at least fifteen percent of labor hours are performed
5 by apprentices;
- 6 (f) Identify emerging technologies and innovations that are likely
7 to contribute to advancements in the green economy, including the
8 activities in designated innovation partnership zones established in
9 RCW 43.330.270;
- 10 (g) Identify barriers to the growth of green jobs in traditional
11 industries;
- 12 (h) Identify statewide performance metrics for projects receiving
13 agency assistance. Such metrics may include:
- 14 (i) The number of new green jobs created each year, their wage
15 levels, and, to the extent determinable, the percentage of new green
16 jobs filled by veterans, members of the national guard, and low-income
17 and disadvantaged populations;
- 18 (ii) The total amount of new federal funding secured, the
19 respective amounts allocated to the state and local levels, and the
20 timeliness of deployment of new funding by state agencies to the local
21 level;
- 22 (iii) The timeliness of state deployment of funds and support to
23 local organizations; and
- 24 (iv) If available, the completion rates, time to completion, and
25 training-related placement rates for green economy postsecondary
26 training programs;
- 27 ~~((h))~~ (i) Identify strategies to allocate existing and new
28 funding streams for green economy workforce training programs and
29 education to emphasize those leading to a credential, certificate, or
30 degree in a green economy field;
- 31 ~~((i))~~ (j) Identify and implement strategies to allocate existing
32 and new funding streams for workforce development councils and
33 associate development organizations to increase their effectiveness and
34 efficiency and increase local capacity to respond rapidly and
35 comprehensively to opportunities to attract green jobs to local
36 communities;
- 37 ~~((j))~~ (k) Develop targeting criteria for existing investments

1 that are consistent with the economic development commission's economic
2 development strategy and the goals of this section and RCW 28C.18.170,
3 28B.50.281, and 49.04.200; and

4 ~~((k))~~ (l) Make and support outreach efforts so that residents of
5 Washington, particularly members of target populations, become aware of
6 educational and employment opportunities identified and funded through
7 the evergreen jobs act.

8 (2) The department and the workforce board, in consultation with
9 the leadership team, must provide semiannual performance reports to the
10 governor and appropriate committees of the legislature on:

11 (a) Actual statewide performance based on the performance measures
12 identified in subsection (1)~~((g))~~ (h) of this section;

13 (b) How the state is emphasizing and supporting projects that lead
14 to a domestically or internationally exportable good or service,
15 including renewable energy technology;

16 (c) A list of projects supported, created, or funded in furtherance
17 of the goals of the evergreen jobs initiative and the actions taken by
18 state and local organizations, including the effectiveness of state
19 agency support provided to local organizations as directed in
20 subsection (1)(b) and (c) of this section;

21 (d) Recommendations for new or expanded financial incentives and
22 comprehensive strategies to:

23 (i) Recruit, retain, and expand green economy industries and small
24 businesses; and

25 (ii) Stimulate research and development of green technology and
26 innovation, which may include designating innovation partnership zones
27 linked to the green economy;

28 (e) Any information that associate development organizations and
29 workforce development councils choose to provide to appropriate
30 legislative committees regarding the effectiveness, timeliness, and
31 coordination of support provided by state agencies under this section
32 and RCW 28C.18.170, 28B.50.281, and 49.04.200; and

33 (f) Any recommended statutory changes necessary to increase the
34 effectiveness of the evergreen jobs initiative and state responsiveness
35 to local agencies and organizations.

36 (3) The definitions, designations, and results of the employment
37 security department's broader labor market research under RCW
38 43.330.010 shall inform the planning and strategic direction of the

1 department, the state workforce training and education coordinating
2 board, the state board for community and technical colleges, and the
3 higher education coordinating board.

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