S-4748.1			
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SECOND SUBSTITUTE SENATE BILL 6678

State of Washington 61st Legislature 2010 Regular Session

By Senate Ways & Means (originally sponsored by Senators Hobbs, Kilmer, Marr, Berkey, Tom, and Shin)

READ FIRST TIME 02/09/10.

1 AN ACT Relating to the creation of entities to address the long-2. range impact of opportunities and changes in the aerospace industry; adding a new section to chapter 43.42 RCW; adding a new chapter to 3 4 Title 43 RCW; and adding a new chapter to Title 28B RCW.

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

PART I 6

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AEROSPACE TRAINING AND RESEARCH COORDINATION

8 NEW SECTION. Sec. 101. The aerospace industry is critically 9 important to the economic vitality of Washington. The aerospace 10 industry accounts for over thirty-six billion dollars in economic value A highly skilled and educated workforce is a key 11 to Washington. 12 ingredient to the continued vitality and growth of the technologydriven aerospace industry throughout the state.

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NEW SECTION. Sec. 102. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Aerospace company" means an entity that is primarily engaged

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in the research, design, manufacture, assembly, or sale of completed products for use in commercial or governmental aviation and avionics.

- (2) "Board" means the board of advisors of the Washington aerospace training and research coordination institute.
- 5 (3) "Executive director" means the executive director of the 6 institute.
- 7 (4) "Institute" means the Washington state aerospace training and 8 coordination institute.
- 9 (5) "Skill centers" has the same meaning as provided in RCW 10 28A.245.010.
 - NEW SECTION. Sec. 103. (1) The Washington state aerospace training and coordination institute is created, to the extent that state funds are appropriated or other funds are available for this specific purpose. The goal and purpose of the institute is to enhance the vitality of the aerospace industry through improving the state's aerospace training, education, research, and development programs by coordinating, providing, and developing curricula for a statewide consortium of schools and programs that provide aerospace workforce education and training.
 - (2) The institute must concentrate its efforts on providing the highest quality training and education programs, fostering the creation and retention of family wage jobs, integrating cutting edge research and development into the training and education of a skilled workforce, and facilitating growth and innovation in the aerospace industry.
 - (3) The institute must emphasize public-private partnership and provide a forum for effective interaction, collaboration, and partnerships between and among the state's aerospace industry, labor, institutions of higher education, workforce training and education coordinating board, innovation partnership zones, and other relevant and appropriate public and private entities.
- 31 <u>NEW SECTION.</u> **Sec. 104.** (1) The institute must be headquartered in 32 Snohomish county and overseen by a board of advisors.
 - (2) The board must consist of the following members:
 - (a) One representative from the machinist trade;
- 35 (b) One representative from professional aerospace engineering 36 associations;

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1 (c) One representative from an aerospace company with sixty 2 thousand employees or more;

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- (d) Two representatives from an aerospace company with less than sixty thousand but more than two hundred employees;
- (e) Two representatives from an aerospace company with less than two hundred employees;
- (f) One representative from a four-year state public higher education institution located in a county with a population of one million or more residents;
- (g) One representative from a four-year state public higher education institution located east of the crest of the Cascade mountains with student enrollment of seventeen thousand or more;
- 13 (h) One representative from the higher education coordinating 14 board;
- 15 (i) One representative from the state board for community and technical colleges;
- 17 (j) One representative from the workforce training and education 18 coordinating board; and
 - (k) One representative from the office of the superintendent of public instruction.
 - (3) The term of office for each board member, excluding the representatives from the higher education coordinating board, state board for community and technical colleges, workforce training and education coordinating board, office of the superintendent of public instruction, and institutions of higher education, is three years. The executive director of the institute must be an ex officio, nonvoting member of the board. Except for the representative from the office of the superintendent of public instruction, board members must be appointed by the governor. The governor must stagger the terms of the first group of appointees to ensure the long-term continuity of the board. The board must meet at least quarterly.
 - (4) The duties of the board include:
- 33 (a) Developing the general operating policies for the institute;
 - (b) Appointing the executive director of the institute;
- 35 (c) Adopting the biennial operating budget of the institute;
- 36 (d) Developing and maintaining on a biennial basis a state 37 comprehensive plan on aerospace training and education programs;

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(e) Developing a program in partnership with the office of the superintendent of public instruction and the skill centers that will generate interest and prepare students for postsecondary education, careers, employment, and apprenticeships in the aerospace industry;

- (f) Establishing and maintaining an inventory of aerospace training programs and research and development discoveries at the two and four-year colleges and universities and assess the extent to which the programs represent a consistent, coordinated, efficient, and integrated approach to meet the training needs of the aerospace industry;
- (g) Evaluating how research and development discoveries from institutions of higher education must be incorporated into aerospace training programs;
- (h) Coordinating a yearly forum in partnership with the center for aerospace technology innovation to promote research and development discoveries;
- (i) Producing a biennial report to the governor, legislature, and the entities represented on the board on progress by the institute in evaluating the state's aerospace training programs and meeting the other obligations of this chapter, as well as including recommendations for any statutory changes necessary to enhance operational efficiencies or improve coordination.
- 22 (j) The board may enter into contracts to fulfill its 23 responsibilities and purposes under this chapter.
- NEW SECTION. Sec. 105. (1) The board must employ an executive director and may delegate management to the director. The director must:
 - (a) Serve at the pleasure of the board;
 - (b) Be the executive officer of the board; and
- 29 (c) Administer the provisions of this chapter under the board's 30 supervision.
- (2) The executive director must, with the approval of the board:
 (a) Employ necessary deputy exempt staff under chapter 41.06 RCW who
 serve at his or her pleasure on such terms and conditions as he or she
 determines and (b) subject to the provisions of chapter 41.06 RCW,
 appoint and employ such other employees as may be required for the
 proper discharge of the functions of the institute.

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- 1 (3) The executive director must exercise such additional powers, 2 other than rule making, as may be delegated by the board by resolution.
 - (4) In fulfilling the duties under this chapter, the board must make extensive use of those state agencies with responsibility for implementing and supporting the plans of the aerospace training and research coordination institute.

NEW SECTION. Sec. 106. (1) The institute may receive gifts, grants, or endowments from public or private sources that are made from time to time, in trust or otherwise, for the use and benefit of the purposes of the institute and spend gifts, grants, or endowments or income from the public or private sources according to their terms, unless the receipt of the gifts, grants, or endowments violates RCW 42.17.710.

- 14 (2) The institute may accept appropriate financial support levels 15 by private business, community groups, foundations, and individuals.
- NEW SECTION. Sec. 107. A new section is added to chapter 43.42 RCW to read as follows:

The Washington aerospace futures account is created in the custody of the state treasurer. The governor may authorize expenditures from the account. Expenditures from the account may be made only for the purpose of statewide aerospace workforce and industry development, including programs and activities related to workforce training and education, research and development, and aerospace industry retention and expansion. Administrative expenses, including staff support, may be paid from the account. Revenues to the account consist of moneys received from grants and donations, funds administered under the governor's discretion that are deposited into the account, and moneys received pursuant to legislative appropriations.

29 PART II

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UNIVERSITY OF WASHINGTON--CENTER FOR AEROSPACE

NEW SECTION. Sec. 201. (1) The legislature finds that Washington's aerospace industry is important to the economic vitality of the state and provides opportunities for the citizens of the state. The legislature finds that there is a need for coordination among the

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training and education programs referred to in sections 101 through 104 of this act and research and development of new aerospace technologies under this center as well as existing private and public universities.

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- (2) The legislature also finds that it is in the interests of the state of Washington to provide a mechanism to transfer and apply research and technology developed at the institutions of higher education to the private sector in order to create new products and technologies which provide job opportunities in the aerospace industry.
- (3) It is the intent of the legislature that the University of Washington, Washington State University, and the department of commerce must work cooperatively with the private sector in the development and implementation of research and new technology.
- 13 NEW SECTION. Sec. 202. The definitions in this section apply 14 throughout this chapter unless the context clearly requires otherwise.
 - (1) "Aerospace company" means an entity that is primarily engaged in the research, design, manufacture, assembly, or sale of completed products for use in commercial or governmental aviation and avionics.
 - "Board" means the board of directors of the center for (2) aerospace technology innovation.
- 20 (3) "Center" means the center for aerospace technology innovation, including the affiliated staff, faculty, facilities, and research 21 centers operated by the center.
- 23 (4) "Executive director" means the executive director of the 24 center.

NEW SECTION. Sec. 203. The center for aerospace technology innovation is created, to the extent that state funds are appropriated or other funds are available for this specific purpose. The center is to lead a collaborative effort between the state's universities, private industry, and government for the aerospace industry. The center must be headquartered at the University of Washington. The mission of the center is to advance the research and development of new aerospace technologies on a statewide basis that benefits the intermediate and long-term economic vitality of the state through increasing the competitive capacity of the state and the aerospace industry, and to develop and strengthen university-industry

2SSB 6678 p. 6 relationships through the conduct of research that relates to the interest of the state and the aerospace industry. The center must:

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- (1) Perform and/or facilitate research supportive of state science and technology objectives, particularly as they relate to aerospace;
- (2) Provide leading edge collaborative research in the aerospace field;
- (3) Emphasize and develop nonstate support of the center's research activities; and
- 9 (4) Provide a venue for effective interaction between the state's 10 academic research institutions and the aerospace industry through the 11 promotion of faculty collaboration with industry, particularly within 12 the state.
- NEW SECTION. Sec. 204. (1) The center must be overseen by the board of directors of the center.
 - (2) The board must consist of the following members:
- 16 (a) The provost of the University of Washington or his or her 17 designated representative;
- 18 (b) The provost of Washington State University or his or her 19 designated representative;
- 20 (c) The director of the department of commerce or his or her 21 designated representative;
- 22 (d) One representative from an aerospace company with sixty 23 thousand employees or more; and
 - (e) One representative from an aerospace company with less than sixty thousand employees.
 - (3) The term of office for each board member, excluding the provost of the University of Washington, the provost of Washington State University, and the department of commerce, is three years. The executive director of the center must be an ex officio, nonvoting member of the board. Board members from the aerospace companies must be appointed by the governor. The governor must stagger the terms of the two aerospace representatives to ensure the long-term continuity of the board. The board must meet at least quarterly.
 - (4) The board must contract with the University of Washington to provide such services as necessary for the operation of the center and implementation of the duties of the center.
 - (5) The duties of the board include:

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- 1 (a) Developing the general operating policies for the center;
 - (b) Appointing the executive director of the center;

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- (c) Adopting the biennial operating budget of the center;
- (d) Establishing eligibility criteria for the selection and funding of research projects that guarantee the greatest potential return on the state's investment;
- (e) Approving and allocating funding for research projects conducted by the center, based on the recommendations from faculty and aerospace companies;
- (f) Coordinating a yearly forum in partnership with the Washington state aerospace training and coordination institute to promote research and development discoveries;
- 13 (g) Developing a biennial work plan and five-year strategic plan 14 for the center;
- (h) Coordinating with the University of Washington and Washington State University in the development of research and development programs to be conducted at the center to enhance the vitality of the state and the aerospace industry;
- 19 (i) Reviewing annual progress reports on funded research projects; 20 and
- 21 (j) Providing a biennial report to the governor, the legislature, 22 and the universities detailing the activities, performance, roles, and 23 contractual obligations of the center.
- NEW SECTION. Sec. 205. The center may receive gifts, grants, or endowments from public or private sources that are made from time to time, in trust or otherwise, for the use and benefit of the purpose of the center and spend gifts, grants, or endowments or income from the public or private sources according to their terms, unless the receipt of the gifts, grants, or endowments violates RCW 42.17.710.

30 PART III

31 MISCELLANEOUS PROVISIONS

NEW SECTION. Sec. 301. Sections 101 through 106 of this act constitute a new chapter in Title 43 RCW.

- 1 <u>NEW SECTION.</u> **Sec. 302.** Sections 201 through 205 of this act
- 2 constitute a new chapter in Title 28B RCW.

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