

SENATE BILL REPORT

SB 5953

As of November 8, 2013

Title: An act relating to appropriations specifically for activities related to the aerospace industry for permitting and training, including program development, staff, facilities, and equipment.

Brief Description: Making appropriations specifically for activities related to the aerospace industry for permitting and training, including program development, staff, facilities, and equipment.

Sponsors: Senators Fain, Hill, Tom, Ericksen, Fraser, Eide, King, Hatfield and Hobbs; by request of Governor Inslee.

Brief History:

Committee Activity: Ways & Means: 11/08/13.

SENATE COMMITTEE ON WAYS & MEANS

Staff: Julie Murray (786-7711)

Background: State Board for Community and Technical Colleges. The State Board for Community and Technical Colleges (Board) is responsible for administering Washington's system of 34 public community and technical colleges. The community colleges are statutorily required to provide open access to every citizen in the state to participate in educational, training, and service programs to meet the needs of both the communities and students served by combining, with equal emphasis, high standards of excellence in academic transfer courses; realistic and practical courses in occupational education; community services of an educational, cultural, and recreational nature; and adult education. The technical colleges are exempt from the requirement to provide academic transfer courses.

Washington Aerospace and Advanced Manufacturing Pipeline Advisory Committee. The Board was required via legislation enacted in 2012 to establish the Washington Aerospace and Advanced Manufacturing Pipeline Advisory Committee (Advisory Committee). This Advisory Committee must consist of 11 to 15 members and a majority of members, including the chair, must represent industry. At least two members must represent labor. Other members must be education and training providers, including directors of long-term training, short-term training, and apprenticeship programs. The Advisory Committee is required to:

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

- provide direction for a skills gap analysis produced with the Workforce Training and Education Coordinating Board (Workforce Board) using data developed through the Education Data Center, and consistent with the joint assessment of higher education and training credentials required to match employer demand;
- establish goals for students served, program completion rates, and employment rates;
- coordinate and disseminate industry advice for training programs; and
- recommend training programs for review by the Workforce Board in coordination with the Board.

Washington Aerospace Training and Research Center. The Washington Aerospace Training and Research (WATR) Center, located at Paine Field airport in Snohomish County, was opened in 2010. The WATR Center is operated by Edmonds Community College and offers short, hands-on, job-specific training to present and future aerospace workers. Students have the opportunity to enroll in a certificate program or enhance their skill sets through individual classes. Training is delivered through on-site, online, and hybrid formats at the center; through statewide community colleges; or through distance learning venues.

Renton Aerospace Training Center. In the 2013-15 biennial capital budget enacted during the 2013 Legislative session, a total of \$5.0 million in bond proceeds was appropriated to the Department of Commerce (Department) solely for construction of the Renton Aerospace Training Center (Training Center) located at Renton Municipal Airport.

Department of Commerce. The Department provides technical assistance and distributes state and federal loans and grants to counties, cities, and other units of local government for local community development, growth management planning, and infrastructure projects. In addition, the Department is authorized to designate certain private industrial development projects as a project of statewide significance. Designation allows the Office of Regulatory Assistance to enter into agreements with counties and cities to assist them in activities to expedite environmental review and permitting processes. Local government development plans and decisions to issue development project permits may require review under the State Environmental Policy Act and other regulatory programs to identify and evaluate probable environmental impacts, alternatives, and mitigation measures of proposed development plans or projects.

Summary of Bill: State Board for Community and Technical Colleges. An amount of \$8.0 million is appropriated from the general fund for Fiscal Year 2015 solely for increasing high demand aerospace enrollments by an additional 1,000 full-time equivalent (FTE) students for the 2014-15 academic year in programs, and at sites, recommended by the Advisory Committee. It is the intent of the Legislature that this funding be ongoing or until there is no longer a demonstrated need.

An amount of \$500,000 is appropriated from the general fund for Fiscal Year 2015 solely for developing a fabrication composite wing incumbent worker training program to be housed at the WATR Center. It is the intent of the Legislature that developing and planning funds continue in Fiscal Year 2016 and for the training program to serve incumbent workers starting in the 2015-16 academic year.

Washington Aerospace Training and Research Center. An amount of \$1.5 million is appropriated from bond proceeds solely for building modifications and acquisition of specialized equipment for the purpose of developing a fabrication composite wing incumbent worker training program at the WATR Center.

Renton Aerospace Training Center. An additional \$5.0 million is appropriated in bond proceeds solely for construction of the Training Center.

Department of Commerce. An amount of \$750,000 for Fiscal Year 2014 and \$1.25 million for Fiscal Year 2015 is appropriated from the general fund to the Department's local government and infrastructure division to provide grants to local governments to assist a county or city in paying for the cost of preparing an environmental analysis that advances environmental permitting activities in and around current and future large manufacturing sites for aerospace and other key economic growth centers.

Appropriation: Yes.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This is an opportunity to create the conditions to keep a dynamic aerospace industry within Washington. The package of legislation benefits the entire aerospace industry, the supply chain, and the business who serve their workers. The bills create and support future and existing family-wage jobs. Aerospace is the backbone of our counties' economy. Pierce County will provide exceptional permitting services for the aerospace industry and has a very responsive workforce development system to their needs. Even though the state has made significant investments in workforce development, there is a skills gap in the aerospace industry. The funding for community colleges continue the work of the AIR Washington grant. The Board appreciates the Governor's confidence in the community and technical colleges; there are currently 24 of the 34 schools that offer aerospace-related programs. Community and technical colleges training in a variety of aerospace-related specialties has an approximately 70 percent graduation rate. The WATR Center has a 68-86 percent placement rate depending upon where in the program students are.

OTHER: An emergency clause is not appropriate for this legislation. The Legislature should direct Commerce to work with local governments so that permit takes no more than 30 days to issue.

Persons Testifying: PRO: Governor Jay Inslee; Alex Pietsch, Governor's Office; Larry Brown, Aerospace Machinists; Pat McCarthy, Pierce County Executive; John Lovick, Snohomish County Executive; Fred Jarett, King County Deputy Executive; Steve Mullin, Washington Roundtable; Maud Daudon, Seattle Chamber; Gary Chandler, AWB; Troy McClelland, Economic Alliance Snohomish County; John Mohr, Port of Everett; Paul Roberts, Everett City Council; Laura Hopkins, AJAC; Carol Weigand, Air Washington; Larry

Clumphf, Washington Aerospace Research Center; Tom Pierson, Tacoma Chamber of Commerce; Bruce Kendall, Economic Development Board for Tacoma-Pierce County; Marty Brown, State Board for Community and Technical Colleges; Marcie Osborne, Community Employment Alliance; Doug Levy, City of Renton.

OTHER: Patrick Connor, National Federation of Independent Business.