

# SENATE BILL REPORT

## SB 6078

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As of March 20, 2015

**Title:** An act relating to creating manufacturing partnerships.

**Brief Description:** Creating manufacturing partnerships.

**Sponsors:** Senators Rivers, Hatfield, Brown, Mullet, Litzow and Becker.

**Brief History:**

**Committee Activity:** Trade & Economic Development: 3/18/15.

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### SENATE COMMITTEE ON TRADE & ECONOMIC DEVELOPMENT

**Staff:** Jeff Olsen (786-7428)

**Background:** The Federal Department of Commerce's Economic Development Administration recently announced the designation of 12 communities as Manufacturing Communities under the Investing in Manufacturing Communities Partnership (IMCP) program. The program encourages communities to develop comprehensive economic development strategies that will strengthen their competitive edge for attracting global manufacturer and supply chain investments. Through the program, the federal government is coordinating federal aid to support communities' plans across several departments and agencies.

Through an application submitted by the Puget Sound Regional Council, Washington's aerospace industry was designated as a manufacturing community under the federal program. In southwest Washington and Oregon, the Pacific Northwest Manufacturing Partnership, an alliance of urban and rural communities, was formed in response to the federal opportunities available under the IMCP program. The IMCP program is currently accepting applications to designate additional communities under the program.

**Summary of Bill:** The State Department of Commerce (Commerce) may appoint a Pacific Northwest Manufacturing Partnership Advisory Committee, or other advisory committees from geographic regions of the state, to establish manufacturing community partnerships. Geographic regions identified for development of manufacturing partnerships include Washington's aerospace region, the Mid-Columbia Valley, the Portland/Vancouver metro area, South Central Washington, North Puget Sound, South Puget Sound, and the Olympic and coastal region.

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*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.*

Manufacturing partnerships consist of collaborative alliances of governmental agencies, educational institutions, manufacturing firms, research facilities, workforce boards, labor organizations, and manufacturing economic development entities. Partnerships are established to integrate knowledge, innovation, research, technology, science, industry, resources, and priorities for manufacturing economic development in a geographic region.

Advisory committees must advise and make recommendations to Commerce regarding developing goals and objectives for the partnership; developing policies for the operation of the manufacturing partnership; making grants or loans, or providing financial or technical assistance to entities that have submitted proposals for manufacturing economic development projects; developing outcome measures for evaluating the progress of the manufacturing partnership; and creating a website to provide information about the goals, objectives, and projects of the partnership. The director of Commerce must appoint members to the advisory committee, and Commerce must provide staff support to advisory committees.

Commerce must facilitate regional collaboration among manufacturing economic development stakeholders with support from manufacturing partnerships by providing financial assistance, identifying and recruiting qualified investors for manufacturing economic development projects, entering into agreements to support partnerships, and assisting partnerships in applying for funding through the IMCP program.

Commerce and advisory committees must submit annual reports to the Legislature beginning January 1, 2017.

**Appropriation:** None.

**Fiscal Note:** Available.

**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 bill is modeled after legislation in Oregon where currently the Pacific Northwest Manufacturing Partnership is working jointly with the Portland and Vancouver metropolitan areas on manufacturing economic development strategies. This approach provides structure to bring all of the stakeholders together and demonstrates that Washington is a partner in the process of promoting regional collaboration.

**Persons Testifying:** PRO: Senator Rivers, prime sponsor; Michael Bomar, Columbia River Economic Development Council, President.

**Persons Signed in to Testify But Not Testifying:** PRO: Elizabeth Scott, Columbia River Economic Development Council, Senior Project Manager.