

SHB 2879 - H AMD 1681

By Representative Vick

ADOPTED 02/19/2020

1 Strike everything after the enacting clause and insert the
2 following:

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4 "NEW SECTION. **Sec. 1.** The legislature finds that manufacturing
5 jobs are important to all regions of Washington because of their
6 above-average wages and strong benefits. Manufacturing industries
7 employ more than two hundred eighty-seven thousand people in
8 Washington. Manufacturers help drive Washington's economy, producing
9 more than fifty-eight billion dollars in goods annually and accounting
10 for nearly twelve percent of the gross state product. More than eighty
11 percent of Washington exports are manufactured goods. The legislature
12 finds that due to a complex variety of factors from global
13 competition, automation, regulatory factors, and productivity gains,
14 this sector of the economy has had output growth without experiencing
15 the desired employment growth during this cycle of economic growth for
16 the country and our state. The legislature intends to investigate
17 these factors and discuss with private sector partners the full
18 spectrum of policy levers that could improve and sustain long-term job
19 growth and regulatory certainty for this critical sector of our
20 economy. Therefore, the legislature intends that the department of
21 commerce complete a study, in consultation with in-state manufacturing
22 partners.

23
24 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.330 RCW
25 to read as follows:

26 (1) The department, in consultation with the leaders of the
27 economic development committees of the legislature, is directed to

1 complete a study of public policies that would foster growth of all
2 subsectors of manufacturing and growth in manufacturing jobs
3 throughout all of Washington's thirty-nine counties. The study shall
4 include a comprehensive assessment of policy recommendations that will
5 lead to improvement in regulatory conditions, infrastructure, and
6 workforce development resources that support the growth and
7 sustainability of the manufacturing sector. By December 31, 2020, the
8 department must complete the study and recommend policies that will
9 facilitate the development of manufacturing in all of Washington
10 state's counties.

11 (2) The department shall meet regularly with an advisory committee
12 convened by a statewide manufacturing association to assist in the
13 scoping of the study and evaluation of policy recommendations. The
14 department shall solicit information and analysis from other state
15 agencies that have a regulatory and tax impact on the manufacturing
16 industry. The advisory group shall be allowed to offer a report as an
17 appendix to the official study and the department's policy
18 recommendations. The advisory group shall include, but not be limited
19 to, members from each of the following industry subsectors:

- 20 (a) Aerospace manufacturing;
- 21 (b) Food manufacturing;
- 22 (c) Beverage manufacturing;
- 23 (d) Wood product manufacturing;
- 24 (e) Primary metal manufacturing;
- 25 (f) Machinery manufacturing;
- 26 (g) Computer and electronic product manufacturing;
- 27 (h) Furniture and related product manufacturing;
- 28 (i) Transportation equipment manufacturing;
- 29 (j) Chemical manufacturing;
- 30 (k) Plastics and rubber products manufacturing;
- 31 (l) Paper manufacturing;
- 32 (m) Printing and related support activities;
- 33 (n) Maritime manufacturing; and
- 34 (o) Clean energy manufacturing."

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2 Correct the title.

EFFECT: (1) Directs the Department of Commerce (Department), rather than a legislative work group, to complete a study of public policies for the stated purpose of fostering the growth of all manufacturing subsectors and growth in manufacturing jobs throughout all Washington counties.

(2) Requires the Department to meet with the advisory committee convened by a statewide manufacturing association to assist in the scoping of the study and evaluation of policy recommendations.

(3) Requires the Department to receive information and analysis from other state agencies that have a regulatory and tax impact on the manufacturing industry.

(4) Allows the advisory group to offer a report as an appendix to the study and policy recommendations.

(5) Removes the legislative work group and makes corresponding changes.

(6) Removes certain nonvoting members from the advisory group, including certain state agencies and certain manufacturing representatives.

(7) Provides that the study and recommendations must be completed by December 31, 2020.

(8) Modifies the intent section.

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