## ENGROSSED SUBSTITUTE HOUSE BILL 2879

State of Washington 66th Legislature 2020 Regular Session

By House Innovation, Technology & Economic Development (originally sponsored by Representatives Vick and Eslick)

READ FIRST TIME 02/07/20.

- AN ACT Relating to fostering economic growth in Washington by supporting in-state manufacturing; adding a new section to chapter
- 3 43.330 RCW; and creating a new section.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

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

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- 1 that the department of commerce complete a study, in consultation
- 2 with in-state manufacturing partners.
- 3 <u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 43.330 4 RCW to read as follows:
- 5 (1) The department, in consultation with the leaders of the economic development committees of the legislature, is directed to 6 7 complete a study of public policies that would foster growth of all subsectors of manufacturing and growth in manufacturing 8 9 throughout all of Washington's thirty-nine counties. The study shall include a comprehensive assessment of policy recommendations that 10 will lead to improvement in regulatory conditions, infrastructure, 11 and workforce development resources that support the growth and 12 sustainability of the manufacturing sector. By December 31, 2020, the 13 department must complete the study and recommend policies that will 14 facilitate the development of manufacturing in all of Washington 15 16 state's counties.
  - (2) The department shall meet regularly with an advisory committee convened by a statewide manufacturing association to assist in the scoping of the study and evaluation of policy recommendations. The department shall solicit information and analysis from other state agencies that have a regulatory and tax impact on the manufacturing industry. The advisory group shall be allowed to offer a report as an appendix to the official study and the department's policy recommendations. The advisory group shall include, but not be limited to, members from each of the following industry subsectors:
    - (a) Aerospace manufacturing;
  - (b) Food manufacturing;

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- (c) Beverage manufacturing;
  - (d) Wood product manufacturing;
- 30 (e) Primary metal manufacturing;
  - (f) Machinery manufacturing;
- 32 (g) Computer and electronic product manufacturing;
- 33 (h) Furniture and related product manufacturing;
- 34 (i) Transportation equipment manufacturing;
- 35 (j) Chemical manufacturing;
- 36 (k) Plastics and rubber products manufacturing;
- 37 (1) Paper manufacturing;
- 38 (m) Printing and related support activities;
- 39 (n) Maritime manufacturing; and

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1 (o) Clean energy manufacturing.

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