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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 44.04 RCW; creating a new section; and providing an expiration date.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
 - The legislature finds that manufacturing NEW SECTION. Sec. 1. jobs are important to all regions of Washington because of their above-average wages and strong benefits. Manufacturing industries employ more than two hundred eighty-seven thousand people Washington. Manufacturers help drive Washington's economy, producing fifty-eight billion dollars in goods annually more than accounting for nearly twelve percent of the gross state product. More than eighty percent of Washington exports are manufactured goods. The legislature finds that due to a complex variety of factors from global competition, automation, regulatory factors, and productivity gains, this sector of the economy has had output growth without experiencing the desired employment growth during this cycle of economic growth for the country and our state. The legislature intends to investigate these factors and discuss with private sector partners the full spectrum of policy levers that could improve and long-term job growth and regulatory certainty for this sustain critical sector of our economy. Therefore, the legislature intends to

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- 1 establish a time-limited legislative work group on manufacturing to 2 be assisted by a private sector advisory group.
- NEW SECTION. Sec. 2. A new section is added to chapter 44.04 3 RCW to read as follows: 4
- (1) Subject to the availability of amounts appropriated for this specific purpose, the Washington manufacturing work group established. The purpose of the work group is to promote economic development in every one of Washington's counties through a 9 comprehensive assessment of policy recommendations that will lead to improvement in the regulatory conditions, infrastructure, and workforce development resources that support the growth and sustainability of the manufacturing sector.
- (2) The legislative work group is composed of the following 13 14 members:
 - (a) Two senators from each of the two largest caucuses of the senate, appointed by the leader of each respective caucus. Each leader shall appoint senators representing a district both west and east of the Cascade crest; and
 - (b) Two representatives from each of the two largest caucuses of the house of representatives, appointed by the leader of each respective caucus. Each leader shall appoint representatives representing a district both west and east of the Cascade crest.
 - (3) The work group must convene an advisory group of nonvoting members to provide information, assistance, and input to the work group in its development of policy recommendations as described in subsection (1) of this section. The chair of the work group shall appoint a statewide manufacturing trade association representative to the advisory group, who shall, in turn, appoint advisory group members who 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;
- (e) Primary metal manufacturing; 35
 - (f) Machinery manufacturing;
- (g) Computer and electronic product manufacturing; 37
- 38 (h) Furniture and related product manufacturing;
- (i) Transportation equipment manufacturing; 39

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- 1 (j) Chemical manufacturing;
- 2 (k) Plastics and rubber products manufacturing;
- 3 (1) Paper manufacturing;

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- 4 (m) Printing and related support activities;
 - (n) Maritime manufacturing; and
- 6 (o) Clean energy manufacturing.
- 7 (4) Nonvoting members of the advisory group should include a 8 designee from the following:
 - (a) The department of commerce;
- 10 (b) The department of revenue;
 - (c) The department of ecology;
- 12 (d) The department of labor and industries;
- 13 (e) The employment security department;
- 14 (f) The governor's senior policy staff;
- 15 (g) The manufacturing extension partnership under the national 16 institute of standards and technology if the designee is based in the 17 state of Washington; and
 - (h) The Washington state centers of excellence.
 - (5) A majority of the legislative work group members constitutes a quorum. If a member has not been designated for a position set forth in this section, that position may not be counted for the purpose of determining a quorum.
 - (6) The work group must hold its inaugural meeting by August 1, 2020. The work group must elect a chair from among its members at the inaugural meeting. The election of the chair must be by a majority vote of the work group members who are present at the inaugural meeting. The chair of the work group is responsible for arranging subsequent meetings and developing meeting agendas.
 - (7) Staff support for the work group, including arranging the inaugural meeting of the work group and assisting the chair of the work group in arranging subsequent meetings, must be provided by the senate committee services and the house of representatives office of program research.
 - (8) The expenses of the work group must be paid jointly by the senate and house of representatives. Work group expenditures are subject to approval by the senate facilities and operations committee and the house of representatives executive rules committee, or their successor committees.

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(9) The work group is a class one group under chapter 43.03 RCW. Work group members may be reimbursed for travel expenses in accordance with RCW 44.04.120.

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- 4 (10) Advisory group members are not entitled to be reimbursed for 5 travel expenses if they are elected officials or are participating on 6 behalf of an employer, governmental entity, or other organization. 7 Any reimbursement for advisory group members is subject to chapter 8 43.03 RCW.
- 9 (11) A public comment period must be provided at every meeting of the work group.
- 11 (12) By November 30, 2021, and in compliance with RCW 43.01.036, 12 the work group must submit a report on recommended policies that will 13 facilitate the development of manufacturing in all of Washington 14 state's counties. The report shall be delivered to the governor and 15 the appropriate economic development committees of the legislature.
- 16 (13) This section expires August 1, 2022. The work group is 17 dissolved upon the expiration of this section.

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