

HOUSE BILL REPORT

HB 2082

As Reported by House Committee On:
Postsecondary Education & Workforce

Title: An act relating to assessing the needs of the electrical transmission industry.

Brief Description: Assessing the needs of the electrical transmission industry.

Sponsors: Representatives Fosse, Low, Fitzgibbon, Berry, Reed, Ramel, Tharinger, Reeves, Paul and Kloba.

Brief History:

Committee Activity:

Postsecondary Education & Workforce: 1/17/24, 1/23/24 [DPS].

Brief Summary of Substitute Bill

- Requires the Department of Commerce to conduct a study of the employment and workforce education needs of the electrical transmission industry in the state.
- Creates the Electrical Transmission Industry Work Group.

HOUSE COMMITTEE ON POSTSECONDARY EDUCATION & WORKFORCE

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 14 members: Representatives Slatter, Chair; Entenman, Vice Chair; Reed, Vice Chair; Ybarra, Ranking Minority Member; Waters, Assistant Ranking Minority Member; Jacobsen, Klicker, Leavitt, McEntire, Nance, Paul, Pollet, Schmidt and Timmons.

Minority Report: Without recommendation. Signed by 1 member: Representative Chandler.

Staff: Saranda Ross (786-7068).

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

Background:

The Department of Commerce (Commerce) is the lead state agency tasked with enhancing and promoting community and economic vitality in Washington. As the agency responsible for growing the state economy, it supports sector leads in areas such as aerospace, agriculture and food manufacturing, clean technology, information and communication technology, the creative economy, forest products, life sciences and biotechnology, maritime, and the military. Sector leads work closely with the Governor, industry heads, and government leaders to develop strategies to support business growth statewide.

Electrical transmission is the movement of large amounts of high-voltage electricity from power plants to places where it is either used directly, such as by large industries, or to substations where the voltage is reduced and the power is distributed to end users such as homes and businesses. The electrical transmission system combined with power plants, distribution systems, and substations form what is known as the electrical grid. The grid meets society's electricity needs and is what gets the electrical power from its generation to its end use.

Summary of Substitute Bill:

Commerce must conduct a study of the employment and workforce education needs of the electrical transmission industry in the state. In doing so, Commerce may contract with a third-party entity familiar with conducting similar studies. The purpose of the study is to:

- ascertain labor shortages;
- identify challenges in recruiting, hiring, and retaining workers in certain enumerated trades;
- evaluate workforce succession planning in the industry; and
- assess short-term and long-term training and workforce needs to expand electrical transmission capacity infrastructure to meet the state's climate goals.

The study must focus on line workers, line clearance tree trimmers, and substation technicians. In conducting the study, Commerce or a third-party entity may consult with the Employment Security Department, the Department of Labor and Industries, appropriate centers of excellence, higher education institutions, workforce development centers, utilities, and any other appropriate organizations or entities. To avoid duplication of efforts, Commerce or a third-party entity must coordinate with appropriate agencies and conduct a literature review of ongoing or recent studies, data, or research related to the electrical transmission industry workforce.

Commerce must submit a preliminary report to the Legislature by December 1, 2024, that includes the methodology that will be used to conduct the study and demographic data or other information gathered regarding the electrical transmission industry workforce in preparation for the study. A final report is due to the Legislature by November 1, 2025. At

a minimum, the final report must include:

- estimates, including the time periods required for the planning of new or existing electrical transmission facilities, of electrical transmission industry jobs needed to expand electrical transmission capacity to meet the state's clean energy and climate goals inclusive of the workforce needed to maintain existing infrastructure;
- an inventory of existing apprenticeship programs and anticipated need for expansion of existing apprenticeships or supplemental training programs to meet current and future workforce needs;
- the number of line workers, line clearance tree trimmers, and substation technician apprentices;
- demographic data of the workforce, including age, gender, race, ethnicity, and where possible, other categories of identity;
- identification of gaps and barriers to a full electrical transmission workforce pool, including the loss of workers to retirement in the next 5, 10, and 15 years, and other current and anticipated retention issues;
- a comparison of wages between different jurisdictions in the state and between other neighboring states, including incentives offered by other states;
- any data on the number of line workers, line clearance tree trimmers, and substation technicians that completed training in the state and left to work in a different state;
- data on the number of out-of-state workers who enter the state to meet workforce needs on large scale electrical transmission projects;
- key challenges that could emerge in the foreseeable future based on factors such as growth in demand for electricity and changes in energy production and availability;
- recommendations for the training, recruitment, and retention of the current and anticipated electrical transmission workforce that supplement, enhance, or exceed current training requirements, including recommendations to attract and retain a more diverse workforce, such as members of federally recognized Indian tribes and individuals from overburdened communities; and
- identification of barriers to entrance into the electrical transmission workforce.

By November 1, 2024, Commerce must convene an Electrical Transmission Industry Work Group (Work Group) that meets twice yearly for the purpose of providing advice, developing strategies, and making recommendations on supporting the needs of the electrical transmission industry workforce and the state's climate goals. In collaboration with the Clean Energy Technology Advisory Committee, the Work Group must periodically review the status of electrical transmission workforce issues. The Work Group must also review the preliminary and final report created by Commerce and provide ongoing recommendations regarding the needs and challenges of the industry to the Legislature, state and local agencies, labor, and utilities. The Work Group must consist of eight members, as follows:

- one representative from a labor organization located in Tacoma that represents line workers;
- one representative from a labor organization located in Clark county that represents line workers;

- one representative from a labor organization located in Spokane county that represents line workers;
- one representative from a statewide labor organization with at least 250,000 affiliated members that represents line workers and workers from outside the electrical transmission and construction industry;
- two representatives from two different investor-owned utilities; and
- two representatives from two different consumer-owned utilities.

The Work Group must select a chair and vice chair from among its membership.

Substitute Bill Compared to Original Bill:

The substitute bill changes the Work Group member representation requirements, requires the Work Group to select a chair and vice chair, and specifies how often the Work Group meets. The substitute bill adds various items to the final report to the Legislature, such as a wider range of industry demographic data and recommendations to attract and retain a more diverse workforce.

Appropriation: None.

Fiscal Note: Requested on January 10, 2024.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) Electrical transmission touches nearly every aspect of our lives. For example, our hospitals need to be powered, our schools need to be resilient, and we need to ensure our family member's insulin is refrigerated and safe. Adequate transmission capacity is needed to connect the new clean energy projects we have created and bring the state's clean energy goals to fruition. Line workers are the people who build and maintain our electrical grid. These workers have made it clear that the study in this bill is needed. Ensuring our workforce is prepared and supported when it comes to transmission is imperative to all of us.

Washington anticipates at least a 21 percent increase in employment growth in electrical power transmission from 2020 to 2030. Work on electrical transmission and distribution systems requires highly skilled and qualified workers with extensive training in order to keep themselves and the public safe, while performing extremely demanding and dangerous work. It's important that the study in this bill focuses on the lead positions in the electrical transmission industry to ensure clear, focused results.

(Opposed) None.

(Other) There is a time-sensitive, critical need to ensure the state has a skilled and sufficient number of line workers, line clearance tree trimmers, and substation technicians to supply energy to meet the state's ambitious climate goals. This bill presents a significant opportunity to address equity by adding demographic data on the electrical transmission workforce to the final report, such as demographics on race, ethnicity, and gender. The final report should also include recommendations on how to attract and retain a more diverse workforce, including ways to attract tribal citizens and members from overburdened communities.

Persons Testifying: (In support) Representative Mary Fosse, prime sponsor; Byron Allen, International Brotherhood of Electrical Workers Local 483; and Jason Hudson, International Brotherhood of Electrical Workers Labor Union 77.

(Other) Stephanie Scott, Washington Department of Commerce.

Persons Signed In To Testify But Not Testifying: None.