

HOUSE BILL REPORT

ESB 6296

As Passed House:
February 27, 2024

Title: An act relating to establishing a retail industry work group.

Brief Description: Establishing a retail industry work group.

Sponsors: Senators Boehnke and Dozier.

Brief History:

Committee Activity:

Postsecondary Education & Workforce: 2/20/24, 2/21/24 [DP].

Floor Activity:

Passed House: 2/27/24, 95-0.

Brief Summary of Engrossed Bill

- Establishes a retail industry work group.
- Requires the work group to recommend four colleges for retail industry credentialing pilot programs.

HOUSE COMMITTEE ON POSTSECONDARY EDUCATION & WORKFORCE

Majority Report: Do pass. Signed by 12 members: Representatives Slatter, Chair; Reed, Vice Chair; Ybarra, Ranking Minority Member; Waters, Assistant Ranking Minority Member; Jacobsen, Klicker, Leavitt, McEntire, Nance, Paul, Schmidt and Timmons.

Minority Report: Do not pass. Signed by 1 member: Representative Entenman, Vice Chair.

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

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:

Washington Retail Workforce Report.

A 2023 report on the Washington retail workforce found the industry has a turnover rate in excess of 60 percent, due in part to the service and support nature of most retail labor, seasonality, and lack of clear advancement incentives. Two main action points arose from the report:

- the standardization of credentials within the retail industry; and
- making credits stackable, which is the ability to transfer credits and continue education.

The report also made the following policy recommendations:

- establish a collaborative industry work group to design retail sector training programs, spanning entry-level to management roles, addressing gaps outlined in the report;
- conduct pilot programs for short-term credentialing and microcredentialing programs relevant to the retail sector;
- conduct a feasibility study exploring requirements and capacity necessary to develop a Learning and Employment Record platform, which would provide a comprehensive digital record of an individual's skills, competencies, credentials, and employment history that may be able to show a complete picture of an individual's education and work experiences;
- work with education and accreditation bodies to recognize more retail-industry recognized credentials, competency-based credit, and other credit for prior learning avenues;
- support funding for existing incumbent worker training programs to include the Job Skills Program and Incumbent Worker Training program;
- conduct a feasibility study to develop a statewide institutional mapping tool that charts employers offering retail jobs, including required skills and competencies, and potential earnings based on varying levels of credentials and experience;
- create a statewide database of retail businesses willing and able to hire justice-involved workers and other underserved groups that have completed relevant retail training; and
- establish guidance on how employers can attract and retain employees, particularly those employees experiencing barriers to employment.

Summary of Bill:

The Washington State Board for Community and Technical Colleges must establish a retail industry work group consisting of higher education, business, labor, and workforce development representatives with expertise in the retail workforce. The work group must identify and report to the Legislature by October 1, 2025, the following:

- degrees, certificates, state-registered apprenticeship programs, and education programs of value to the retail workforce;

- gaps in educational opportunities and skill development in existing academic programs;
- best practices in program design and curriculum for high-quality credentials in support of the retail sector;
- career pathways for individuals in the retail sector with a focus on stackable credentials; and
- any barriers individuals face in attaining high-quality credentials in support of a retail career.

The work group must also recommend up to four colleges for pilot programs for short-term credentials and microcredentials in support of the retail workforce. These pilot programs must be designed with the best practices in program design and curriculum for high-quality credentials in support of the retail sector.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) This bill leverages career pathways to success, gives people pride to work in the retail industry, and helps show that a lifelong career in retail is possible, as is being promoted within the retail industry. Washington has the potential to be a leader in the retail industry. Legislation from 2019 helped form the development of this bill. Promoting workforce training is vital to the 400,000 retail workers in the state, especially because over one-third are people of color and immigrants. It is important to entry-level and second-chance job seekers, as well as to frontline retail workers, to have access to training and promotion opportunities. The goal of the work group created in this bill is to make retail career pathways visible and desirable, and to inform job seekers, employers, colleges, and other stakeholders what the retail industry involves and what types of opportunities are available. The retail industry stands out from other industries because it hires without degrees, promotes people equally regardless of gender and race, and offers promotions from within. Workers who receive short-term certifications stay with their employers five years longer, receive twice as many promotions, and earn one-third higher wages. Over half of certificate recipients go on to higher education.

(Opposed) None.

Persons Testifying: Senator Matt Boehnke, prime sponsor; Rose Gundersen, Washington Retail Association; and Carolyn McKinnon, Washington State Board for Community and Technical Colleges.

Persons Signed In To Testify But Not Testifying: None.