
SENATE BILL 5932

State of Washington

54th Legislature

1995 Regular Session

By Senators Drew, Pelz, Schow, Deccio and Prince

Read first time 02/15/95. Referred to Committee on Labor, Commerce & Trade.

1 AN ACT Relating to establishing the Washington alliance for
2 manufacturing; adding a new section to chapter 43.330 RCW; adding a new
3 section to chapter 28B.50 RCW; adding a new chapter to Title 24 RCW;
4 creating a new section; and making an appropriation.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** (1) The legislature finds that:

7 (a) To perform in the global marketplace, smaller Washington firms
8 must master advanced technologies and production processes, incorporate
9 best management practices, and adopt modern business and work force
10 approaches;

11 (b) Only through modernization can Washington firms both compete
12 successfully and pay good wages;

13 (c) There are few mechanisms for most firms to learn from the
14 experiences of the most competitive firms and few models of inter-firm
15 cooperation in modernization; and

16 (d) To be effective, modernization assistance must be industry
17 driven.

18 (2) It is the intent of the legislature that the state increase its
19 support for delivery of modernization services to Washington's smaller

1 manufacturers and leverage federal and private resources devoted to
2 such efforts. The purpose of this act is to assist in meeting the
3 modernization needs of smaller manufacturers and to support the
4 development and growth of the Washington alliance for manufacturing.
5 It is the further intent of the legislature that the Washington
6 alliance for manufacturing coordinate the delivery of modernization
7 services and act as a catalyst to:

8 (a) Encourage large firms to support training consortia among their
9 suppliers, share their training facilities, and validate the importance
10 of highly competitive work organizations and workplace learning as
11 desirable supplier practices;

12 (b) Encourage small and medium-sized firms to aggregate their
13 demand for training and other modernization services, thus driving down
14 the cost to the individual firm and securing more effective services;
15 and

16 (c) Increase inter-firm cooperation in important sectors of the
17 state's economy.

18 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.330 RCW
19 to read as follows:

20 (1) In carrying out the targeted sector assistance authorized under
21 RCW 43.330.090, the department shall assist in the operation of the
22 Washington alliance for manufacturing, consistent with this section and
23 sections 3 and 4 of this act. The department shall: (a) Assist the
24 alliance in applying for federal and private grants; (b) assist the
25 alliance in a state-wide planning process to determine the
26 modernization needs of key industry sectors and geographic regions and
27 optimum mechanisms for delivering modernization services; and (c)
28 contract with the alliance for delivery of client-directed problem-
29 solving services that will assist the modernization efforts of
30 manufacturing firms, industry associations, networks, and consortiums
31 in targeted sectors.

32 (2) The department shall report annually on the effectiveness of
33 the alliance to the governor and the appropriate legislative
34 committees.

35 (3) In carrying out the requirements of this section, the
36 department shall make use of the expertise available to it as a member
37 of USNet and available from other federally funded modernization
38 projects in the state.

1 NEW SECTION. **Sec. 3.** The Washington alliance for manufacturing
2 shall be organized under Title 24 RCW. The mission of the alliance
3 shall be to operate a modernization extension system, coordinate a
4 network of public and private modernization resources, and stimulate
5 the competitiveness of smaller manufacturers within the state. The
6 alliance shall jointly conduct with the department of community, trade,
7 and economic development a state-wide planning process to determine the
8 modernization needs of key industry sectors and geographic regions and
9 optimum mechanisms for delivering modernization services. The alliance
10 shall provide the department of community, trade, and economic
11 development data on employment growth on firms served and such other
12 data as the department requests for evaluation of the alliance's
13 effectiveness. The alliance shall not be an instrumentality of the
14 state.

15 NEW SECTION. **Sec. 4.** The Washington alliance for manufacturing
16 shall be a membership organization. A majority of the board of
17 directors of the Washington alliance for manufacturing shall be
18 composed of representatives of small manufacturing firms and industry
19 associations, networks, or consortiums. The board of directors'
20 authority includes, but is not limited to, the authority to:

- 21 (1) Set membership dues for its members;
- 22 (2) Charge fees for services, make and execute contracts with any
23 individual, corporation, association, public agency, or any other
24 entity, and employ all other legal instruments necessary or convenient
25 for the performance of its duties and the exercise of its powers and
26 functions under this section and sections 2 and 3 of this act;
- 27 (3) Receive funds from federal, state, or local governments,
28 private businesses, foundations, or any other source for purposes
29 consistent with this section and sections 2 and 3 of this act;
- 30 (4) Develop policies, plans, and programs to assist in the
31 modernization of businesses in targeted sectors of Washington's
32 economy;
- 33 (5) Provide information about the advantages of modernization and
34 evaluative information on the modernization services available from the
35 alliance to federal, state, and local governments, state colleges and
36 universities, and private providers;
- 37 (6) Collaborate with the quality awards council in the development
38 of manufacturing quality standards and quality certification programs;

1 (7) Establish a training program for network brokers and other
2 modernization service providers; and

3 (8) Provide, either directly or through contracts, assistance to
4 industry associations, networks, or consortiums, that would be of value
5 to their member firms in:

6 (a) Adopting advanced business management practices such as
7 strategic planning and total quality management;

8 (b) Developing mechanisms for inter-firm collaboration and
9 cooperation;

10 (c) Appraising, purchasing, installing, and effectively using
11 equipment, technologies, and processes that improve the quality of
12 goods and services and the productivity of the firm;

13 (d) Improving human resource systems and work force training in a
14 manner that moves firms toward flexible, high-performance work
15 organizations;

16 (e) Developing new products;

17 (f) Market research, analysis, and development of new sales
18 channels and export markets; and

19 (g) Improving credit, capital management, and business finance
20 skills.

21 NEW SECTION. **Sec. 5.** A new section is added to chapter 28B.50 RCW
22 to read as follows:

23 In order to assist the Washington alliance for manufacturing in
24 brokering training programs to small manufacturers, the state board for
25 community and technical colleges shall develop competency-based
26 technical degree programs to be offered by community and technical
27 colleges serving modernizing firms. The programs shall include quality
28 management training and assist small and medium-sized firms in the
29 development of work-based learning to enhance the skills and knowledge
30 of workers performing modern work processes.

31 NEW SECTION. **Sec. 6.** Sections 3 and 4 of this act shall
32 constitute a new chapter in Title 24 RCW.

33 NEW SECTION. **Sec. 7.** The sum of one million dollars, or as much
34 thereof as may be necessary, is appropriated for the biennium ending
35 June 30, 1997, from the general fund to the department of community,

1 trade, and economic development for the purposes of section 2 of this
2 act.

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