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HOUSE CONCURRENT RESOLUTION 4405

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State of Washington                      59th Legislature                      2005 Regular Session

By Representatives Hudgins, Conway, Clibborn, Wallace, Green, Appleton, Kenney, McCoy, Chase, Ormsby, Campbell, Simpson, Hasegawa, Sells, Wood and Santos

Read first time 02/03/2005. Referred to Committee on Commerce & Labor.

- 1            WHEREAS, Offshore outsourcing of public and private sector jobs has  
2 created concern about job loss in Washington; and  
3            WHEREAS, Some contracts entered into by state agencies are being  
4 performed, in whole or in part, outside the United States; and  
5            WHEREAS, The legislature is concerned that these state contracts  
6 are being entered into with little, if any, legislative oversight; and  
7            WHEREAS, Offshore outsourcing of private sector jobs is creating  
8 concern about unemployment in our state and demands on our public  
9 services; and  
10           WHEREAS, Offshore outsourcing of public and private sector work may  
11 be eroding job opportunities and continuing to affect Washington  
12 families and communities already suffering from high unemployment and  
13 a jobless recovery; and  
14           WHEREAS, Offshore outsourcing may put at risk the privacy of  
15 medical records, financial data, and other personal information of  
16 Washington citizens; and  
17           WHEREAS, Offshore outsourcing may impact state and local tax  
18 revenues needed to provide for the basic education, as well as to  
19 protect the public health and safety, of Washington citizens; and

1           WHEREAS, Offshore outsourcing may result in transfers of knowledge  
2 and core functions that curb entrepreneurial activities and limit  
3 technological innovation essential to the future economic success of  
4 Washington businesses; and

5           WHEREAS, The legislature invests significant public resources in  
6 work force training and retraining, and wants to ensure that students  
7 and workers who benefit from these investments have opportunities to  
8 climb career ladders from entry-level jobs to family-wage jobs, and to  
9 enjoy the prosperity that is the American dream; and

10          WHEREAS, The legislature has also invested significant public  
11 resources in business development, recruitment, and retention, and  
12 wants to ensure that corporations that benefit from these investments  
13 are accountable to the legislature and the citizens of Washington  
14 state; and

15          WHEREAS, The legislature is concerned about and wants to examine  
16 the potential consequences of offshore outsourcing;

17          NOW, THEREFORE, BE IT RESOLVED, By the House of Representatives of  
18 the state of Washington, the Senate concurring, That a study of  
19 offshore outsourcing be conducted to evaluate the following issues:

20           The degree to which state contracts, and any subcontracts awarded  
21 under such contracts, are being performed at locations outside the  
22 United States;

23           The extent to which the following are adequate to protect  
24 legislative authority over state procurement: The process for making  
25 and extending the state's commitments under the agreement on government  
26 procurement of the world trade organization and other international  
27 trade agreements; and the exceptions in the agreement on government  
28 procurement of the world trade organization and other international  
29 trade agreements;

30           The applicability of international trade agreements to state  
31 procurement policies;

32           The compliance of signatories to such agreements with international  
33 and state child labor, environmental protection, human rights, and  
34 labor standards;

35           The effects of such agreements on domestic preferences adopted by  
36 signatories to such agreements;

37           The economic benefit of awarding personal services, purchased  
38 services, civil service, and public works contracts to Washington

1 companies, including: The number of total employment positions; the  
2 number of full-time, part-time, and temporary employment positions as  
3 a percent of total employment; the number of employment positions  
4 earning less than twenty thousand dollars, between twenty thousand  
5 dollars and thirty thousand dollars, between thirty thousand dollars  
6 and forty thousand dollars, between forty thousand dollars and fifty  
7 thousand dollars, between fifty thousand dollars and sixty thousand  
8 dollars, and more than sixty thousand dollars; and the number of  
9 employment positions that have employer-provided medical, dental, and  
10 retirement benefits, by each of the wage bands;

11 The economic impacts of performing work under personal services,  
12 purchased services, civil service, and public works contracts in  
13 Washington, including: The multiplier effect on state and local tax  
14 revenues; and the multiplier effect on state and local employment  
15 levels;

16 The cost to the state of retraining workers who are separated from  
17 employment because their positions were outsourced to locations outside  
18 the United States, and issues relative to their eligibility for  
19 training benefits under RCW 50.22.150;

20 The extent to which state contracts performed at locations outside  
21 the United States involve solicitation or disclosure of personal  
22 information; and

23 The relationship between state labor market conditions, including  
24 unemployment rate and implications for trade-dependent industries, and  
25 offshore outsourcing decisions; and

26 BE IT FURTHER RESOLVED, That the study be conducted by a joint task  
27 force of the House of Representatives and the Senate consisting of the  
28 following: Four representatives to be appointed by the Speaker of the  
29 House of Representatives, four representatives to be appointed by the  
30 minority leader of the House of Representatives, four senators to be  
31 appointed by the majority leader of the Senate, and four senators to be  
32 appointed by the minority leader of the Senate; and

33 BE IT FURTHER RESOLVED, That the joint task force, in conjunction  
34 with the private sector, consult with and be advised and monitored by  
35 an advisory committee consisting of ten members: Three members  
36 representing labor, appointed jointly by the President of the Senate  
37 and the Speaker of the House of Representatives, from a list of names  
38 recommended by a statewide organization representing a cross-section

1 and majority of organized labor in the state; three members  
2 representing business, one of whom shall represent small business,  
3 appointed jointly by the President of the Senate and the Speaker of the  
4 House of Representatives, from a list of names recommended by a  
5 statewide organization of employers representing a majority of  
6 employers of the state; one member representing the office of the  
7 Washington state trade representative; one member representing an  
8 international human rights organization; one member representing an  
9 international environmental protection organization; and one member  
10 representing the public; and

11 BE IT FURTHER RESOLVED, That the findings and recommendations of  
12 the joint task force shall be reported to the house of representatives  
13 committees on commerce and labor, state government, operations and  
14 accountability, technology, energy and communications, economic  
15 development, agriculture and trade, and the senate committees on labor,  
16 commerce, research and development, international trade and economic  
17 development, and government operations and elections, or their  
18 successor committees, by December 1, 2005.

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