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SENATE BILL 6219

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State of Washington

53rd Legislature

1994 Regular Session

By Senators Skratek, Bluechel, Sheldon, Williams, Erwin, M. Rasmussen and Winsley

Read first time 01/17/94. Referred to Committee on Trade, Technology & Economic Development.

1 AN ACT Relating to establishing the Washington manufacturing  
2 extension center; adding a new section to chapter 43.330 RCW; adding a  
3 new section to chapter 28B.50 RCW; adding a new section to chapter  
4 28B.80 RCW; adding a new chapter to Title 24 RCW; and creating a new  
5 section.

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

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

8 (a) To perform in the emerging global marketplace, Washington firms  
9 must master new technologies, production processes, and methods of work  
10 organization, all of which demand substantial improvement in worker  
11 skills;

12 (b) Only through modernization can Washington firms both compete  
13 successfully in the market of the future and pay good wages;

14 (c) Most Washington firms are not exposed to the potential benefits  
15 of flexible, high-performance work organizations demanding highly  
16 skilled workers;

17 (d) There are few mechanisms for most firms to learn from the  
18 experiences of high performance firms and few models of inter-firm  
19 cooperation in modernization; and

1 (e) To be effective, any program to improve the capability of  
2 Washington firms must reflect the specific needs and capabilities of  
3 those firms.

4 (2) It is the intent of the legislature that the state increase its  
5 support for delivery of modernization services to targeted sectors of  
6 the Washington economy and leverage federal and private resources  
7 devoted to such efforts. The purpose of this act is to assist in  
8 meeting the modernization needs of targeted industry sectors and to  
9 support prototype organizations such as the Washington manufacturing  
10 extension center. It is the further intent of the legislature that the  
11 Washington manufacturing extension center coordinate the delivery of  
12 modernization services and act as a catalyst to:

13 (a) Increase inter-firm cooperation in important sectors of the  
14 state's economy;

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

19 (c) Encourage large firms to support training consortia among their  
20 suppliers, share their training facilities, and validate the importance  
21 of high performance work organization and workplace learning as  
22 desirable supplier practices.

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

25 (1) In carrying out the targeted sector assistance authorized under  
26 RCW 43.330.090, the department shall work with the state board for  
27 community and technical colleges to assist in the operation of the  
28 Washington manufacturing extension center, consistent with this section  
29 and sections 3, 4, 5, and 6 of this act. The department shall assist  
30 the Washington center in applying for federal and private grants and  
31 contract with the center for delivery of client-directed problem-  
32 solving services that will assist the modernization efforts of firms,  
33 industry associations, networks, and consortiums in targeted sectors.

34 (2) The department shall conduct yearly evaluations on the  
35 effectiveness of the center and shall report its conclusions to the  
36 governor and the appropriate legislative committees.

37 (3) In carrying out the requirements of this section, the  
38 department shall make use of the expertise available to it as a member

1 of USNet and available from other federally funded modernization  
2 projects in the state.

3 NEW SECTION. **Sec. 3.** A private, not-for-profit corporation shall  
4 be organized with the assistance of the department of community, trade,  
5 and economic development and the state board for community and  
6 technical colleges, under Title 24 RCW and this section and sections 2,  
7 4, 5, and 6 this act, to be known as the Washington manufacturing  
8 extension center. The mission of the center shall be to operate a  
9 modernization extension system, coordinate a network of public and  
10 private modernization resources, and stimulate the competitiveness of  
11 firms within targeted business sectors of Washington's economy.

12 NEW SECTION. **Sec. 4.** The Washington manufacturing extension  
13 center shall be a membership organization. A majority of the board of  
14 directors of the Washington manufacturing extension center shall be  
15 composed of representatives of industry associations, networks, or  
16 consortiums. The board shall also include at least two members  
17 representing labor unions or labor councils and, as ex-officio members,  
18 the director of the department of community, trade, and economic  
19 development, the director of the state board for community and  
20 technical colleges, and the director of the work force training and  
21 education coordinating board. The board of directors' authority  
22 includes, but is not limited to, the authority to:

23 (1) Elect up to three persons to serve as board members  
24 representing public and nonprofit agency members in addition to those  
25 specifically designated in this section as ex-officio members of the  
26 board;

27 (2) Set membership dues for its members;

28 (3) Charge fees for services, make and execute contracts with any  
29 individual, corporation, association, public agency, or any other  
30 entity, and employ all other legal instruments necessary or convenient  
31 for the performance of its duties and the exercise of its powers and  
32 functions under this section and sections 2, 3, 5, and 6 of this act;

33 (4) Receive funds from federal, state, or local governments,  
34 private businesses, foundations, or any other source for purposes  
35 consistent with this section and sections 2, 3, 5, and 6 of this act;

1 (5) Develop policies, plans, and programs to assist in the  
2 modernization of businesses in targeted sectors of Washington's  
3 economy;

4 (6) Provide information about the advantages of modernization and  
5 evaluative information on the modernization services available from the  
6 center to federal, state, and local governments, state colleges and  
7 universities, and private providers;

8 (7) Collaborate with the Washington quality initiative in the  
9 development of manufacturing quality standards and quality  
10 certification programs;

11 (8) Establish a training program for network brokers and other  
12 modernization service providers; and

13 (9) Provide, either directly or through contracts, assistance to  
14 industry associations, networks, or consortiums, that would be of value  
15 to their member firms in:

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

18 (b) Developing mechanisms for inter-firm collaboration and  
19 cooperation;

20 (c) Appraising, purchasing, installing, and effectively using  
21 equipment, technologies, and processes that improve the quality of  
22 goods and services and the productivity of the firm;

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

26 (e) Developing new products;

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

29 (g) Improving credit, capital management, and business finance  
30 skills.

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

33 The state board for community and technical colleges shall: (1)  
34 Assist in the establishment of the Washington manufacturing extension  
35 center; and (2) develop competency-based technical degree programs to  
36 be offered by community and technical colleges serving modernizing  
37 firms. The programs shall include quality management training and  
38 assist small and medium-sized firms in the development of work-based

1 learning to enhance the skills and knowledge of workers performing  
2 modern work processes. The programs shall prepare new entrants to  
3 technical and managerial jobs in manufacturing in ways that meet the  
4 needs of firms that have chosen to modernize via high-performance work  
5 organizations.

6 NEW SECTION. **Sec. 6.** A new section is added to chapter 28B.80 RCW  
7 to read as follows:

8 The higher education coordinating board shall work with the  
9 Washington manufacturing extension center and the department of  
10 community, trade, and economic development to ensure that state  
11 supported educational institutions' programs that benefit businesses  
12 will give the highest priority to requests for assistance from the  
13 Washington manufacturing extension center.

14 NEW SECTION. **Sec. 7.** Sections 3 and 4 of this act shall  
15 constitute a new chapter in Title 24 RCW.

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