

---

**ENGROSSED HOUSE CONCURRENT RESOLUTION 4405**

---

**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 cost to the state of retraining workers who are separated from

1 employment because their positions were outsourced to locations outside  
2 the United States, and issues relative to their eligibility for  
3 training benefits under RCW 50.22.150;

4 The extent to which state contracts performed at locations outside  
5 the United States involve solicitation or disclosure of personal  
6 information; and

7 The relationship between state labor market conditions, including  
8 unemployment rate and implications for trade-dependent industries, and  
9 offshore outsourcing decisions; and

10 BE IT FURTHER RESOLVED, That the following issues shall be  
11 examined, subject to available funding:

12 The economic benefit of awarding personal services, purchased  
13 services, civil service, and public works contracts to Washington  
14 companies, including: The number of total employment positions; the  
15 number of full-time, part-time, and temporary employment positions as  
16 a percent of total employment; the number of employment positions  
17 earning less than twenty thousand dollars, between twenty thousand  
18 dollars and thirty thousand dollars, between thirty thousand dollars  
19 and forty thousand dollars, between forty thousand dollars and fifty  
20 thousand dollars, between fifty thousand dollars and sixty thousand  
21 dollars, and more than sixty thousand dollars; and the number of  
22 employment positions that have employer-provided medical, dental, and  
23 retirement benefits, by each of the wage bands;

24 The economic impacts of performing work under personal services,  
25 purchased services, civil service, and public works contracts in  
26 Washington, including: The multiplier effect on state and local tax  
27 revenues; and the multiplier effect on state and local employment  
28 levels; and

29 The economic benefits of decisions by businesses based in other  
30 countries and other states to locate research, development, production,  
31 and other facilities in Washington; and

32 BE IT FURTHER RESOLVED, That the study be conducted by a joint task  
33 force of the House of Representatives and the Senate consisting of the  
34 following: Four representatives to be appointed by the Speaker of the  
35 House of Representatives, four representatives to be appointed by the  
36 minority leader of the House of Representatives, four senators to be  
37 appointed by the majority leader of the Senate, and four senators to be  
38 appointed by the minority leader of the Senate; and

1 BE IT FURTHER RESOLVED, That the joint task force, in conjunction  
2 with the private sector, consult with and be advised and monitored by  
3 an advisory committee consisting of ten members: Three members  
4 representing labor, appointed jointly by the President of the Senate  
5 and the Speaker of the House of Representatives, from a list of names  
6 recommended by a statewide organization representing a cross-section  
7 and majority of organized labor in the state; three members  
8 representing business, one of whom shall represent small business,  
9 appointed jointly by the President of the Senate and the Speaker of the  
10 House of Representatives, from a list of names recommended by a  
11 statewide organization of employers representing a majority of  
12 employers of the state; one member representing the office of the  
13 Washington state trade representative; one member representing an  
14 international human rights organization; one member representing an  
15 international environmental protection organization; and one member  
16 representing the public; and

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

--- END ---