<u>E2SHB 2227</u> - S AMD **998**By Senator Rockefeller

ADOPTED AND ENGROSSED 04/16/2009

1 Strike everything after the enacting clause and insert the 2 following:

"NEW SECTION. Sec. 1. FINDINGS. The legislature finds that the 2009 American recovery and reinvestment act includes new investments in research and development for green industries, renewable energy production, and incentives for installation and use of renewable energy and energy efficiency retrofits. The legislature further finds that state level initiatives include additional incentives for installation of renewable energy and energy efficiency retrofits. These initiatives include new incentives for production of renewable energy that will encourage the state to use renewable energy as well as become a major supplier of renewable energy to the world.

The legislature believes that these investments and initiatives will significantly increase demand for production of renewable energy and installation of energy efficiency retrofits. The legislature recognizes that these demands will cultivate job opportunities for Washington state residents during economic downturns as such investments are particularly valuable during those times. The legislature also finds that the state's residents and economy may be unable to take full advantage of these opportunities if there is a shortage of workers with the skills needed for jobs in renewable energy and energy efficiency.

Further, the legislature finds that the current state and federal economic climate lends itself to the acceleration of the greening of the Washington economy, and presents an opportunity for Washington to take its place as a leader in the green economy of the future. The legislature recognizes that in order to most efficiently and effectively capture and use existing and new funding streams and ensure that Washington does in fact become a leader in the green economy, the

use of stimulus funds must be monitored to ensure that local organizations participating in the programs receive the state support they need.

Therefore, the legislature intends that Washington state accelerate the greening of its economy by creating a highly skilled green jobs workforce by emphasizing green jobs skills within existing education and training funds through the evergreen jobs initiative. The legislature intends to establish the evergreen jobs initiative to ensure that the state's workforce is prepared for the new green economy; the state attracts investment and job creation in the green economy; the state is a net exporter of green industry products and services, with special attention to renewable energy technology and components; and Washington is a national and world leader in the green economy.

To achieve these ends, the evergreen jobs initiative will create a comprehensive and responsive framework to assist Washington in receiving at least a per capita share of federal stimulus funds and to ensure that state and local agencies and organizations receive the institutional support they need to capture and effectively use those funds.

- NEW SECTION. Sec. 2. EVERGREEN JOBS INITIATIVE. The Washington state evergreen jobs initiative is established as a comprehensive green economy jobs growth initiative with the goals of:
 - (1) Creating fifteen thousand new green economy jobs by 2020, with a target of thirty percent of those jobs going to veterans, members of the national guard, and low-income and disadvantaged populations;
 - (2) Capturing and deploying federal funds in a focused, effective, and coordinated manner;
 - (3) Preparing the state's workforce to take full advantage of green economy job opportunities and to meet the recruitment and training needs of industry and small businesses;
 - (4) Attracting private sector investment that will create new and expand existing jobs, with an emphasis on services and products that have a high economic or environmental impact and can be exported domestically and internationally;
- 36 (5) Making Washington state a net exporter of green industry

1 products and services, with special attention to renewable energy 2 technology and components;

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- (6) Empowering local agencies and organizations to recruit green economy businesses and jobs into the state by providing state support and assistance;
- (7) Capitalizing on existing partnership agreements in the Washington works plan and the Washington workforce compact; and
- (8) Operating in concert with the fourteen guiding principles identified by the department in its Washington state's green economy strategic framework.
- 11 NEW SECTION. Sec. 3. EVERGREEN JOBS LEADERSHIP TEAM. The department and the workforce board must create the evergreen jobs 12 13 leadership team, consisting of, at a minimum, the workforce board, the economic development commission, the state board for community and 14 technical colleges, the employment security department, the Washington 15 16 state apprenticeship training council, the office of the superintendent of public instruction, labor, business, at least one representative of 17 workforce development council, and other agencies 18 local organizations as may be necessary. This leadership team may be an 19 20 extension of an existing working group. The leadership team shall be 21 chaired by a currently employed full-time equivalent person within the 22 office of financial management designated by the governor as the single 23 point of accountability for all energy and climate change initiatives 24 within state agencies.
- NEW SECTION. Sec. 4. EVERGREEN JOBS LEADERSHIP TEAM DUTIES. (1)
 The department and the workforce board, in consultation with the
 leadership team, must:
 - (a) Coordinate efforts across the state to ensure that federal training and education funds are captured and deployed in a focused and effective manner in order to support green economy projects and accomplish the goals of the evergreen jobs initiative;
 - (b) Accelerate and coordinate efforts by state and local organizations to identify, apply for, and secure all sources of funds, particularly those created by the 2009 American recovery and reinvestment act, and to ensure that distributions of funding to local

- organizations are allocated in a manner that is time-efficient and user-friendly for the local organizations. Local organizations eligible to receive support include but are not limited to:
 - (i) Associate development organizations;
 - (ii) Workforce development councils;
 - (iii) Public utility districts; and

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- (iv) Community action agencies;
- 8 (c) Support green economy projects at both the state and local 9 level by developing a process and a framework to provide, at a minimum:
 - (i) Administrative and technical assistance;
- 11 (ii) Assistance with and expediting of permit processes; and
- (iii) Priority consideration of opportunities leading to exportable green economy goods and services, including renewable energy technology;
- 15 (d) Coordinate local and state implementation of projects using 16 federal funds to ensure implementation is time-efficient and user-17 friendly for local organizations;
- 18 (e) Emphasize through both support and outreach efforts, projects 19 that:
 - (i) Have a strong and lasting economic or environmental impact;
- 21 (ii) Lead to a domestically or internationally exportable good or 22 service, including renewable energy technology;
- 23 (iii) Create training programs leading to a credential, 24 certificate, or degree in a green economy field;
- 25 (iv) Strengthen the state's competitiveness in a particular sector 26 or cluster of the green economy;
- (v) Create employment opportunities for veterans, members of the national guard, and low-income and disadvantaged populations;
 - (vi) Comply with prevailing wage provisions of chapter 39.12 RCW;
- (vii) Ensure at least fifteen percent of labor hours are performed by apprentices;
- (f) Identify emerging technologies and innovations that are likely to contribute to advancements in the green economy, including the activities in designated innovation partnership zones established in RCW 43.330.270;
- 36 (g) Identify statewide performance metrics for projects receiving 37 agency assistance. Such metrics may include:

(i) The number of new green jobs created each year, their wage levels, and, to the extent determinable, the percentage of new green jobs filled by veterans, members of the national guard, and low-income and disadvantaged populations;

- (ii) The total amount of new federal funding secured, the respective amounts allocated to the state and local levels, and the timeliness of deployment of new funding by state agencies to the local level;
- 9 (iii) The timeliness of state deployment of funds and support to local organizations; and
 - (iv) If available, the completion rates, time to completion, and training-related placement rates for green economy postsecondary training programs;
 - (h) Identify strategies to allocate existing and new funding streams for green economy workforce training programs and education to emphasize those leading to a credential, certificate, or degree in a green economy field;
 - (i) Identify and implement strategies to allocate existing and new funding streams for workforce development councils and associate development organizations to increase their effectiveness and efficiency and increase local capacity to respond rapidly and comprehensively to opportunities to attract green jobs to local communities;
 - (j) Develop targeting criteria for existing investments that are consistent with the economic development commission's economic development strategy and the goals of this section and sections 8, 9, and 12 of this act; and
 - (k) Make and support outreach efforts so that residents of Washington, particularly members of target populations, become aware of educational and employment opportunities identified and funded through the evergreen jobs act.
 - (2) The department and the workforce board, in consultation with the leadership team, must provide semiannual performance reports to the governor and appropriate committees of the legislature on:
- 35 (a) Actual statewide performance based on the performance measures 36 identified in subsection (1)(g) of this section;
 - (b) How the state is emphasizing and supporting projects that lead

to a domestically or internationally exportable good or service, including renewable energy technology;

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- (c) A list of projects supported, created, or funded in furtherance of the goals of the evergreen jobs initiative and the actions taken by state and local organizations, including the effectiveness of state agency support provided to local organizations as directed in subsection (1)(b) and (c) of this section;
- (d) Recommendations for new or expanded financial incentives and comprehensive strategies to:
- 10 (i) Recruit, retain, and expand green economy industries and small 11 businesses; and
 - (ii) Stimulate research and development of green technology and innovation, which may include designating innovation partnership zones linked to the green economy;
 - (e) Any information that associate development organizations and workforce development councils choose to provide to appropriate legislative committees regarding the effectiveness, timeliness, and coordination of support provided by state agencies under this section and sections 8, 9, and 12 of this act; and
- 20 (f) Any recommended statutory changes necessary to increase the 21 effectiveness of the evergreen jobs initiative and state responsiveness 22 to local agencies and organizations.
 - (3) The definitions, designations, and results of the employment security department's broader labor market research under RCW 43.330.010 shall inform the planning and strategic direction of the department, the state workforce training and education coordinating board, the state board for community and technical colleges, and the higher education coordinating board.
- 29 **Sec. 5.** RCW 43.330.010 and 2007 c 322 s 2 are each amended to read 30 as follows:
- DEFINITIONS. Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.
- 33 (1) "Associate development organization" means a local economic 34 development nonprofit corporation that is broadly representative of 35 community interests.
- 36 (2) "Department" means the department of community, trade, and 37 economic development.

- 1 (3) "Director" means the director of the department of community, 2 trade, and economic development.
 - (4) "Financial institution" means a bank, trust company, mutual savings bank, savings and loan association, or credit union authorized to do business in this state under state or federal law.
 - (5) "Microenterprise development organization" means a community development corporation, a nonprofit development organization, a nonprofit social services organization or other locally operated nonprofit entity that provides services to low-income entrepreneurs.
 - (6) "Statewide microenterprise association" means a nonprofit entity with microenterprise development organizations as members that serves as an intermediary between the department of community, trade, and economic development and local microenterprise development organizations.
- 15 <u>(7) "Apprentice" means an apprentice enrolled in an apprenticeship</u>
 16 <u>training program approved by the Washington state apprenticeship</u>
 17 <u>council.</u>
 - (8) "High-demand occupation" means an occupation with a substantial number of current or projected employment opportunities.
 - (9) "Labor hours" means the total hours of workers receiving an hourly wage who are directly employed on the site of the project. This includes hours performed by workers employed by the contractor and all subcontractors working on the project but does not include hours worked by foremen, superintendents, and owners.
 - (10) "Leadership team" means the leadership team created by the department in section 3 of this act.
- 27 (11) "State board" means the state board for community and technical colleges created in RCW 28B.50.050.
 - (12) "Target populations" means:
- 30 (a) Entry-level or incumbent workers who are in, or are preparing 31 for, middle or high-wage, high-demand occupations in the green economy;
- (b) Dislocated workers in declining industries who may be retrained
 for middle or high-wage occupations in the green economy;
 - (c) Eligible veterans or national guard members;
- 35 (d) Disadvantaged populations; or

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36 <u>(e) Anyone eligible to participate in the state opportunity grant</u>
37 program under RCW 28B.50.271.

- (13) "Workforce board" means the workforce training and education 1 2 coordinating board created in RCW 28C.18.020.
- NEW SECTION. Sec. 6. EVERGREEN JOBS LOGO. The leadership team 3 4 must develop a logo or sign to indicate a particular project is funded in whole or in part by Washington's evergreen jobs act or other 5 6 economic recovery efforts. The department and the state board must 7 also adopt rules requiring organizations and each project site receiving funds through the department under section 7 of this act or 8 9 through the state board under section 10 of this act to prominently 10 display such logo or sign on site and in all written materials and 11 communications.
- (1) The leadership team, in consultation with the department, the state 13 board, the Washington state apprenticeship and training council, and 14 15 the office of the superintendent of public instruction, shall identify

Sec. 7. SKILL AND QUALIFICATIONS IDENTIFICATION.

- 16 the necessary skills and qualifications required to perform the energy
- audits and energy efficiency services authorized under chapter . . ., 17
- Laws of 2009 (Engrossed Second Substitute Senate Bill No. 5649) and 18
- 19 satisfy the goals of chapter . . ., Laws of 2009 (Substitute Senate
- 20 Bill No. 5921).

NEW SECTION.

- 21 (2) The leadership team, in consultation with the department, the 22 state board, and the workforce board, shall direct the delivery of
- 23 education and training resource moneys, provided in the omnibus
- 24 appropriations act, to establish workforce training and apprenticeship
- 25 programs to meet the demand for workers trained in energy audit and
- energy efficiency services and to serve the programs established in 26
- chapter . . ., Laws of 2009 (Engrossed Second Substitute Senate Bill 27
- No. 5649). Moneys must be used to fund training programs that satisfy 28
- the strategic plan developed under chapter . . ., Laws of 2009 29
- 30 (Substitute Senate Bill No. 5921).
- (a) Training resource moneys may be provided to energy audit and 31 energy efficiency services educational programs for the following 32
- 33 purposes:
- 34 (i) To develop and deploy curricula and training programs in 35 accordance with this section;

- 1 (ii) To expand existing high school, community and technical 2 college, journey-level skills improvement and apprenticeship training 3 programs, and community-based training programs providing energy audit 4 and energy efficiency services training;
 - (iii) To implement new training programs developed under the terms of this section;
 - (iv) To supplement internship, preapprenticeship, and apprenticeship programs using curricula developed under this section;
 - (v) To recruit people into these training programs; and

- (vi) For other training activities identified by the department to supplement and expand the skills of the existing workforce.
- (b) The department must, in consultation with the workforce board and the leadership team, prioritize educational programs that:
 - (i) Provide convincing evidence that they are able to provide the requisite skills education and training expeditiously; or
 - (ii) Provide skills education and training services to underserved and disadvantaged communities in the state, in accordance with this section. This may include, but is not limited to, at-risk youth seeking employment pathways out of poverty and into economic self-sufficiency. The department and workforce board shall consult with the employment security department to create a strategy to ensure that the workers who receive training under these programs are provided with the type of employment opportunities contemplated by this chapter.
- NEW SECTION. Sec. 8. A new section is added to chapter 28C.18 RCW to read as follows:

GREEN INDUSTRY SKILL PANELS. (1) The legislature directs the board to create and pilot green industry skill panels. These panels shall consist of business representatives from industry sectors related to clean energy, labor unions representing workers in those industries or labor affiliates administering state-approved, joint apprenticeship programs or labor-management partnership programs that train workers for these industries, state and local veterans agencies, employer associations, educational institutions, and local workforce development councils within the region that the panels propose to operate, and other key stakeholders as determined by the applicant. Any of these stakeholder organizations are eligible to receive grants under this section and serve as the intermediary that convenes and leads the

- panel. Panel applicants must provide labor market and industry analysis that demonstrates high demand, or demand of strategic importance to the development of the state's clean energy economy as identified in this section, for middle or high-wage occupations, or occupations that are part of career pathways to the same, within the relevant industry sector. The panel shall, in consultation with the department and the leadership team:
 - (a) Conduct labor market and industry analyses, in consultation with the employment security department, and drawing on the findings of its research when available;

- (b) Recommend strategies to meet the recruitment and training needs of the industry and small businesses; and
- (c) Recommend strategies to leverage and align other public and private funding sources.
- (2) The board may prioritize workforce training programs that lead to a credential, certificate, or degree in green economy jobs. For purposes of this section, green economy jobs include those in the primary industries of a green economy, including clean energy, high-efficiency building, green transportation, and environmental protection. Prioritization efforts may include but are not limited to:

 (a) Prioritization of the use of high employer-demand funding for workforce training programs in green economy jobs; (b) increased outreach efforts to public utilities, education, labor, government, and private industry to develop tailored, green job training programs; and (c) increased outreach efforts to target populations. Outreach efforts may be conducted in partnership with local workforce development councils.
 - (3) The definitions in RCW 43.330.010 apply to this section.
- NEW SECTION. Sec. 9. A new section is added to chapter 28B.50 RCW to read as follows:
 - CURRICULUM DEVELOPMENT AND FUNDING. (1) The state board shall work with the leadership team, the Washington state apprenticeship and training council, and the office of the superintendent of public instruction to jointly develop, by June 30, 2010, curricula and training programs, to include on-the-job training, classroom training, and safety and health training, for the development of the skills and

qualifications identified by the department of community, trade, and economic development under section 7 of this act.

- (2) The board shall target a portion of any federal stimulus funding received to ensure commensurate capacity for high employer-demand programs of study developed under this section. To that end, the state board must coordinate with the department, the leadership team, the workforce board, or another appropriate state agency in the application for and receipt of any funding that may be made available through the federal youthbuild program, workforce investment act, job corps, or other relevant federal programs.
- (3) The board shall provide an interim report to the appropriate committees of the legislature by December 1, 2011, and a final report by December 1, 2013, detailing the effectiveness of, and any recommendations for improving, the worker training curricula and programs established in this section.
- (4) Existing curricula and training programs or programs provided by community and technical colleges in the state developed under this section must be recognized as programs of study under RCW 28B.50.273.
- (5) Subject to available funding, the board may grant enrollment priority to persons who qualify for a waiver under RCW 28B.15.522 and who enroll in curricula and training programs provided by community or technical colleges in the state that have been developed in accordance with this section.
- (6) The college board may prioritize workforce training programs that lead to a credential, certificate, or degree in green economy jobs. For purposes of this section, green economy jobs include those in the primary industries of a green economy including clean energy, high-efficiency building, green transportation, and environmental protection. Prioritization efforts may include but are not limited to:

 (a) Prioritization of the use of high employer-demand funding for workforce training programs in green economy jobs, if the programs meet minimum criteria for identification as a high-demand program of study as defined by the state board for community and technical colleges, however any additional community and technical college high-demand funding authorized for the 2009-2011 fiscal biennium and thereafter may be subject to prioritization; (b) increased outreach efforts to public utilities, education, labor, government, and private industry to

- develop tailored, green job training programs; and (c) increased outreach efforts to target populations. Outreach efforts shall be conducted in partnership with local workforce development councils.
- 4 (7) The definitions in RCW 43.330.010 apply to this section and section 10 of this act.
- 6 <u>NEW SECTION.</u> **Sec. 10.** A new section is added to chapter 28B.50 7 RCW to read as follows:
- EVERGREEN JOBS TRAINING ACCOUNT. The evergreen jobs training 8 9 account is created in the state treasury. Funds deposited to the account may include gifts, grants, or endowments from public or private 10 11 sources, in trust or otherwise. Moneys from the account must be used 12 to supplement the state opportunity grant program established under RCW 28B.50.271. All receipts from appropriations directed to the account 13 must be deposited into the account. Expenditures from the account may 14 be used only for the activities identified in this section. 15 16 board, in consultation with the department and the leadership team, may 17 authorize expenditures from the account but must distribute grants from the account on a competitive basis. Grant funds from the evergreen 18 jobs training account should be used when other public or private funds 19 20 are insufficient or unavailable.
- 21 (1) These grant funds may be used for, but are not limited to uses 22 for:
 - (a) Curriculum development;

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- (b) Transitional jobs strategies for dislocated workers in declining industries who may be retrained for high-wage occupations in green industries;
 - (c) Workforce education to target populations;
- 28 (d) Adult basic and remedial education as necessary linked to occupation skills training; and
- 30 (e) Coordinated outreach efforts by institutions of higher 31 education and workforce development councils.
 - (2) These grant funds may not be used for student assistance and support services available through the state opportunity grant program under RCW 28B.50.271.
- 35 (3) Applicants eligible to receive these grants may be any 36 organization or a partnership of organizations that has demonstrated 37 expertise in:

1 (a) Implementing effective education and training programs that 2 meet industry demand; and

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- (b) Recruiting and supporting, to successful completion of those training programs carried out under these grants, the target populations of workers.
- (4) In awarding grants from the evergreen jobs training account, the state board shall give priority to applicants that demonstrate the ability to:
- (a) Use labor market and industry analysis developed by the employment security department and green industry skill panels in the design and delivery of the relevant education and training program, and otherwise use strategies developed by green industry skill panels;
- (b) Leverage and align existing public programs and resources and private resources toward the goal of recruiting, supporting, educating, and training target populations of workers;
- 16 (c) Work collaboratively with other relevant stakeholders in the regional economy;
 - (d) Link adult basic and remedial education, where necessary, with occupation skills training;
- (e) Involve employers and, where applicable, labor unions in the determination of relevant skills and competencies and, where relevant, the validation of career pathways; and
 - (f) Ensure that supportive services, where necessary, are integrated with education and training and are delivered by organizations with direct access to and experience with the targeted population of workers.
- NEW SECTION. Sec. 11. A new section is added to chapter 50.12 RCW to read as follows:
- LABOR MARKET RESEARCH. The employment security department, in consultation with the department, the workforce board, and the leadership team must take the following actions:
- 32 (1) Conduct and update labor market research on a biennial basis to 33 analyze the current public and private labor market and projected job 34 growth in the green economy, the current and projected recruitment and 35 skill requirement of public and private green economy employers, the 36 wage and benefits ranges of jobs within green economy industries, and

the education and training requirements of entry-level and incumbent workers in those industries;

- (2) Propose which industries will be considered high-demand green industries, based on current and projected job creation and their strategic importance to the development of the state's green economy; and
- 7 (3) Define which family-sustaining wage and benefits ranges within 8 green economy industries will be considered middle or high-wage 9 occupations and occupations that are part of career pathways to the 10 same.
- NEW SECTION. Sec. 12. A new section is added to chapter 49.04 RCW to read as follows:

APPRENTICESHIP PROGRAMS. (1) The council must evaluate the potential of existing apprenticeship and training programs that would produce workers with the skills needed to conduct energy audits and provide energy efficiency services and deliver its findings to the department of community, trade, and economic development, the leadership team, and the appropriate committees of the legislature as soon as possible, but no later than January 18, 2010.

- (2) The council may prioritize workforce training programs that lead to apprenticeship programs in green economy jobs. For purposes of this section, green economy jobs include those in the primary industries of a green economy, including clean energy, the forestry industry, high-efficiency building, green transportation, and environmental protection. Prioritization efforts may include but are not limited to: (a) Prioritization of the use of high employer-demand funding for workforce training programs in green economy jobs; (b) increased outreach efforts to public utilities, education, labor, government, and private industry to develop tailored, green job training programs; and (c) increased outreach efforts to target populations. Outreach efforts shall be conducted in partnership with local workforce development councils.
 - (3) The definitions in RCW 43.330.010 apply to this section.
- NEW SECTION. Sec. 13. PRECLUSION. Nothing in this act may be construed as a requirement for any agency to gain approval from another before allocating funding to the local level. Nothing in this act may

- 1 be construed as precluding nonstate agencies from directly applying for
- 2 and securing funds from the federal government. Nothing in this act
- 3 may be construed as allowing agencies to require additional reporting
- 4 or approval processes from local organizations or to impose unfunded
- 5 mandates on local organizations.
- 6 NEW SECTION. Sec. 14. REPEALER. RCW 43.330.310 (Comprehensive
- 7 green economy jobs growth initiative--Establishment--Green industries
- 8 jobs training account--Creation) and 2008 c 14 s 9 are each repealed.
- 9 <u>NEW SECTION.</u> **Sec. 15.** SHORT TITLE. This act may be known and
- 10 cited as the evergreen jobs act.
- 11 NEW SECTION. Sec. 16. Sections 2 through 4, 6, and 7 of this act
- 12 are each added to chapter 43.330 RCW.
- 13 <u>NEW SECTION.</u> **Sec. 17.** Captions used in this act are not any part
- 14 of the law."

E2SHB 2227 - S AMD

By Senator Rockefeller

ADOPTED AND ENGROSSED 04/16/2009

- On page 1, line 1 of the title, after "jobs;" strike the remainder
- of the title and insert "amending RCW 43.330.010; adding new sections
- 17 to chapter 43.330 RCW; adding a new section to chapter 28C.18 RCW;
- 18 adding new sections to chapter 28B.50 RCW; adding a new section to
- 19 chapter 50.12 RCW; adding a new section to chapter 49.04 RCW; creating
- 20 new sections; and repealing RCW 43.330.310."

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