

SENATE BILL REPORT

SHB 1510

As Reported by Senate Committee On:
Higher Education & Workforce Development, February 20, 2018

Title: An act relating to port district worker development and occupational training programs.

Brief Description: Concerning port district worker development and occupational training programs.

Sponsors: House Committee on Technology & Economic Development (originally sponsored by Representatives Tarleton, McDonald, Ryu, Fitzgibbon, Tharinger, Clibborn, Santos and Fey).

Brief History: Passed House: 2/08/18, 98-0.

Committee Activity: Higher Education & Workforce Development: 2/20/18, 2/20/18 [DP].

Brief Summary of Bill

- Allows port economic development programs to be operated by certain private and public entities.
- Requires a port seeking to engage in economic development programs to declare by resolution that its goals are consistent with the economic development goals and worker training initiatives of the port district.
- Removes the requirement that a port district's economic development programs be in existence on June 10, 2010.

SENATE COMMITTEE ON HIGHER EDUCATION & WORKFORCE DEVELOPMENT

Majority Report: Do pass.

Signed by Senators Ranker, Chair; Palumbo, Vice Chair; Hawkins, Ranking Member; Carlyle, Liias, Miloscia, Nelson and Short.

Staff: Kellee Gunn (786-7429)

Background: Port Districts. There are 75 port districts in Washington State. Port districts are authorized to acquire, construct, maintain, operate, develop, and regulate the following:

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harbor improvements, rail, motor vehicle, water and air transfer and terminal facilities, or any combination of these facilities. State law also explicitly permits ports to promote tourism by advertising, publicizing, and distributing information to attract.

Among the general powers granted to ports are the power to: acquire land, property, leases, and easements; condemn property and exercise the power of eminent domain; develop lands for industrial and commercial purposes; impose taxes, rates, and charges; sell or otherwise convey rights to property; and construct and maintain specified types of park and recreation facilities.

The state Constitution explicitly allows the Legislature to grant authority to port districts to use public funds for industrial development or trade promotion and promotional hosting. Such use is considered a public use for a public purpose and therefore is not subject to the constitutional prohibition against making a gift of public funds to a private party.

Port District Economic Development Programs. The Legislature passed SHB 2651 in 2010, which gave authority to port districts to contract with nonprofit corporations for economic development programs if they were in existence on the act's effective date of June 10, 2010. Those programs include job training and placement, pre-apprenticeship training, or educational programs that are associated with port tenants, customers, and local economic development related to port activities. The operating entity must submit quantitative information on program outcomes annually to the sponsoring port.

Summary of Bill: In addition to nonprofit corporations, ports districts may contract with private and public entities to further their economic development programs and goals. Economic development programs are expanded to include occupational job training, job advancement and retention, and occupational education programs associated with port tenants or port-related economic activity. Ports seeking to engage in activities or contracts pursuant to economic development programs must declare by resolution that port-related workforce development provides a substantial public benefit consistent with the port commission's economic development goals and the ongoing worker training initiatives in place in that port district.

The requirement that the port district's economic development program be in existence on June 10, 2010 is removed.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This legislation is several years in the making. The port commissions have one core mission, and that is to support the economic development of their communities. There are 75 port districts in this state that employ 1

million people. These jobs require apprenticeships, internships, and degrees. This legislation allows ports to invest in the future workforce.

Workforce development is a critical business interest. It is a real world necessity for the Port of Seattle. Finding new workers with the right skill sets is difficult. The Washington Maritime Federation, Business Alliance, Washington Ports, State Department of Commerce and others are all in support of this bill.

Persons Testifying: PRO: Representative Gael Tarleton, Prime Sponsor; Marie Kurose, Port of Seattle; Gordon Baxter, International Longshore and Warehouse Union.

Persons Signed In To Testify But Not Testifying: No one.