

SENATE BILL REPORT

HB 1568

As Passed Senate, April 10, 2019

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: Representatives Chapman, Dent, Blake and Walsh.

Brief History: Passed House: 3/01/19, 94-0.

Committee Activity: Higher Education & Workforce Development: 3/14/19, 3/26/19 [DP].

Floor Activity:

Passed Senate: 4/10/19, 47-0.

Brief Summary of Bill

- Allows certain private and public entities to operate port economic development programs.
- 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 Palumbo, Chair; Randall, Vice Chair; Holy, Ranking Member; Brown, Liias and Wellman.

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: harbor improvements, rail, motor vehicle, water, and air transfer and terminal facilities, or

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any combination of these facilities. State law also explicitly permits ports to promote tourism by advertising, publicizing, and distributing information to attract visitors and encourage tourist expansion.

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 not subject to the constitutional prohibition against making a gift of public funds to a private party.

Port District Economic Development Programs. In 2010, the Legislature passed SHB 2651, 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 associated with port tenants, customers, and local economic development related to port activities. The operating entity must submit data on program outcomes annually to the sponsoring port.

Summary of Bill: In addition to nonprofit corporations, port 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 these 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.

The requirement that the 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 bill allows the ports' customers, tenants and others to develop training and workforce development opportunities. This state is trade-driven, and this allows ports to invest in workforce programs to support their workers.

Persons Testifying: PRO: Representative Mike Chapman, Prime Sponsor; Bruce Beckett, Port of Port Angeles and Port of Moses Lake; Gordon Baxter, International Longshore and Warehouse Union, IBU, International Organization of Masters, Mates and Pilots, PSMTTC; Eric Fitch, Port of Seattle.

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