

HOUSE BILL REPORT

HB 2164

As Reported by House Committee On:

Commerce & Labor

Title: An act relating to the Washington manufacturing advisory partnership.

Brief Description: Creating a manufacturing advisory partnership to provide recommendations for improving the manufacturing sector.

Sponsors: Representatives Conway and Wood.

Brief History:

Committee Activity:

Commerce & Labor: 3/3/03, 3/4/03 [DPS].

Brief Summary of Substitute Bill

- Establishes a manufacturing advisory partnership consisting of business representatives, labor representatives, and legislators.
- Requires the partnership to make findings and recommendations related to certain aspects of Washington's manufacturing sector.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 5 members: Representatives Conway, Chair; Wood, Vice Chair; Hudgins, Kenney and McCoy.

Minority Report: Do not pass. Signed by 4 members: Representatives Chandler, Ranking Minority Member; Condotta, Assistant Ranking Minority Member; Crouse and Holmquist.

Staff: Jill Reinmuth (786-7134).

Background:

According to the Employment Security Department (Department), the manufacturing sector in Washington has been in decline since late 1998.

The Department's Labor Market and Economic Report for 2002 indicates that nonagricultural employment fell by 85,100 between December 2000 and October 2002. Although these losses were distributed across many industrial sectors, losses in manufacturing accounted for over half of the total job loss. Of the job loss in manufacturing, almost 90 percent was in the durable goods sector.

Other Department reports indicate that manufacturing employment currently makes up 13 percent of all employment and 16 percent of total wages. The employment multiplier is estimated to be 3.045, implying that for every manufacturing job in Washington there are another 3.045 jobs created within the state.

Summary of Substitute Bill:

The manufacturing advisory partnership is established. The partnership includes eight members that represent the Legislature, business, and labor. They include two representatives of business, two representatives of labor, and four legislative members, one from each caucus of the House Commerce & Labor Committee and the Senate Commerce & Trade Committee.

The partnership must study and make findings and recommendations related to the following aspects of Washington's manufacturing sector:

- The work force education and training needs of the manufacturing sector;
- The use of manufacturing skill standards to enhance work force development and human resources practices;
- The activities necessary to develop regionally strategic industry clusters; and
- Other issues identified by the partnership.

The partnership shall have access to and the assistance of state agencies as necessary to perform studies, develop recommendations, and make reports on issues related to the manufacturing sector.

The partnership must report its findings and recommendations to the House Commerce & Labor Committee and the Senate Commerce & Trade Committee by December 1 of each year.

Substitute Bill Compared to Original Bill:

The substitute bill corrects a typographical error in the original bill.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of session in which bill is passed.

Testimony For: Small manufacturers across the country are losing jobs. It is imperative that Washington study the manufacturing sector to prevent more jobs from moving offshore.

Testimony Against: None.

Testified: George Sutherland, Washington Manufacturing Service.