## **2SHB 2227** - H AMD **195**

By Representative Probst

## ADOPTED AS AMENDED 03/09/2009

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

"NEW SECTION. Sec. 1. 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 also include new incentives for production of renewable energy, so that the state is not only using renewable energy, but also becoming a major supplier of renewable energy to the world.

The legislature believes that these inputs will significantly increase demand for installation and production of renewable energy and energy efficiency retrofits. The legislature recognizes that this demand will cultivate job opportunities for Washington state residents during economic downturns when such opportunities are particularly valuable. However, 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 production and installation jobs in renewable energy and energy efficiency.

Therefore, the legislature intends that Washington state excel in the green economy by creating a highly skilled green jobs workforce. Furthermore, the legislature intends to establish an even stronger focus on skills for green jobs within existing education and training funds, and to direct any funds received from the 2009 American recovery and reinvestment act to an 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; that the state attracts investment and job creation in the

- 1 green economy; that the state is a net exporter of green industry
- 2 products and services, with special attention to renewable energy
- 3 technology and components; and that Washington is a national and world
- 4 leader in the green economy.

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- 5 **Sec. 2.** RCW 43.330.310 and 2008 c 14 s 9 are each amended to read 6 as follows:
  - (1) ((The legislature establishes a comprehensive green economy jobs growth initiative based on the goal of, by 2020, increasing the number of green economy jobs to twenty-five thousand from the eight thousand four hundred green economy jobs the state had in 2004.
- 11 (2)) The Washington state evergreen jobs initiative is established 12 with the following primary goals:
  - (a) To create fifteen thousand new green economy jobs by 2020;
- 14 (b) To target thirty percent of these new jobs to veterans, members 15 of the national guard, and low-income and disadvantaged populations;
  - (c) To create a coordinated effort across state agencies to draw down federal funds and deploy them in a focused, effective, and coordinated manner;
- 19 <u>(d) To prepare the state's workforce to take full advantage of</u> 20 <u>green economy job opportunities;</u>
- 21 <u>(e) To attract private sector investment that will result in job</u> 22 creation and expansion;
  - (f) To make the state a net exporter of green industry products and services, with special attention to renewable energy technology and components;
  - (g) To empower green job recruitment and training by local workforce development councils and associate development organizations by providing rapidly accessible funding and strong support from state agencies; and
- 30 <u>(h) To capitalize upon partnership agreements already established</u>
  31 <u>in the governor's Washington works plan and the Washington workforce</u>
  32 compact.
- 33 (2) The department and the workforce training and education 34 coordinating board shall work with a working group including the state 35 board for community and technical colleges, the employment security 36 department, business, organized labor, workforce development councils, 37 associate development organizations, and higher education to:

- 1 (a) Develop and maintain a regularly updated and prioritized list 2 of projects across the state that will create green jobs and have long-3 term economic and environmental impact;
  - (i) To ensure that projects with high economic or environmental impact are strongly supported, the department, workforce training and education coordinating board, and the working group must develop a process and specific criteria for soliciting and evaluating evergreen jobs act priority projects, which may be proposed by organizations including associate development organizations and workforce development councils statewide. The evaluation criteria must include, but not be limited to, whether the project will:
- 12 (A) Create short-term jobs;
- 13 (B) Create long-term jobs;

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- 14 <u>(C) Position the state to become a major exporter of renewable</u> 15 <u>energy technology and components;</u>
- 16 <u>(D) Strengthen the state's competitiveness in a targeted niche</u>
  17 within the green economy; and
  - (E) Create lasting environmental benefits;
- 19 <u>(ii) Projects that demonstrate the following characteristics shall</u>
  20 <u>be awarded additional points in the evaluation process:</u>
  - (A) Compliance with the prevailing wage provisions of chapter 39.12 RCW or with area standard wages for public works as determined by the department of labor and industries;
  - (B) Employment opportunities for veterans, members of the national guard, and low-income and disadvantaged populations; and
  - (C) Quality and training standards that ensure that fifteen percent of the labor hours will be performed by apprentices.
  - (b) Accelerate and coordinate efforts to identify and secure any and all potential sources of funding, with a particular emphasis on funds available from the federal government under the 2009 American recovery and reinvestment act, to support evergreen jobs act priority projects and accomplish the additional goals of this initiative;
- 33 (c) Use the list of evergreen jobs act priority projects to inform
  34 and coordinate applications for federal funding, and to coordinate
  35 funding and implementation for local projects from multiple state
  36 agencies. This requirement for consultation and coordination among
  37 state agencies shall not be construed as a requirement for any agency

- 1 to gain approval from another before allocating funding to the local
  2 level;
- 3 (d) Coordinate, streamline, and accelerate project support so that
  4 local associate development organizations and workforce development
- 5 councils will be empowered to comprehensively and rapidly respond to
- 6 job creation and workforce training opportunities. Each associate
- 7 <u>development organization and workforce development council shall report</u>
- 8 to the legislature annually regarding the effectiveness and timeliness
- 9 of support provided by state agencies under this section and sections
- 10 <u>3 through 5 of this act;</u>
- 11 (e) Ensure that public utility district and community action agency
  12 weatherization projects similarly receive coordinated, streamlined, and
  13 accelerated state support, including a steady supply of appropriately
- 14 <u>skilled workers;</u>

- (f) Consult with the Washington State University energy extension program, when necessary, to determine which energy efficiency and renewable energy improvement technologies are appropriate;
- 18 <u>(g) Develop, track, and report performance metrics, including but</u>
  19 not limited to:
- 20 (i) The number of new green jobs created each year;
- 21 <u>(ii) The number of new green jobs created for veterans, members of</u>
  22 the national guard, and low-income and disadvantaged populations;
  - (iii) Wage levels of jobs created;
- 24 <u>(iv) The total amount of new federal funding secured and the</u> 25 respective amounts allocated to the state and local levels; and
- 26 <u>(v) The timeliness of deployment of funding by state agencies to</u> 27 the local level;
- (h) Focus on additional local projects or additional high employerdemand fields as necessary and report performance in these fields in the same manner described in (g) of this subsection;
- 31 <u>(i) Provide a progress report to appropriate committees of the</u> 32 legislature on December 1, 2009, that includes:
- (i) Methods to encourage the creation and expansion of businesses and jobs in the state's green economy;
- (ii) Actions and accomplishments in securing funds from the federal government and other external sources;
- 37 <u>(iii) Recommended performance metrics;</u>
- 38 (iv) Actual performance outcomes to date; and

1 (v) A list of evergreen jobs act priority projects and actions 2 taken to date on each;

- (j) Provide quarterly performance reports thereafter to appropriate committees of the legislature that include, at a minimum, the following information:
  - (i) Performance metrics and actual performance outcomes to date;
- (ii) The updated list of evergreen jobs act priority projects and actions taken to date on each;
- (iii) A summary of actions taken to empower local organizations as required in (d) and (e) of this subsection; and
- (iv) Reports from local associate development organizations and workforce development councils on the effectiveness and timeliness of state support for their efforts.
- (3) The workforce training and education coordinating board, in consultation with the department, shall develop a plan or a series of plans to prioritize existing and new funding streams related to workforce training programs and education that lead to a credential, certificate, or degree in green economy jobs and increase capacity for associate development organizations and workforce development councils to respond to priority projects in the future.
- (4) The department and workforce training and education coordinating board shall identify strategies to allocate and direct existing and new funding streams to workforce development councils and associate development organizations in a coordinated and efficient manner, to reduce local staff time needed to draw down funds, and to increase local capacity to respond rapidly and comprehensively to opportunities to attract green jobs to local communities.
- (5) The department, in consultation with the employment security department, the state workforce training and education coordinating board, the state board ((of [for])) for community and technical colleges, and the higher education coordinating board, shall develop a defined list of terms, consistent with current workforce and economic development terms, associated with green economy industries and jobs.
- $((\frac{3}{3})(a))$  (6) The employment security department, in consultation with the department, the state workforce training and education coordinating board, the state board for community and technical colleges, the higher education coordinating board, Washington State University small business development center, and the Washington State

University extension energy program, shall conduct labor market research to analyze the current labor market and projected job growth in the green economy, the current and projected recruitment and skill requirement of green economy industry employers, the 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.

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(((b) The University of Washington business and economic development center shall: Analyze the current opportunities for and participation in the green economy by minority and women owned business enterprises in Washington; identify existing barriers to their successful participation in the green economy; and develop strategies with specific policy recommendations to improve their successful participation in the green economy. The research may be informed by the research of the Puget Sound regional council prosperity partnership, as well as other entities. The University of Washington business and economic development center shall report to the appropriate committees of the house of representatives and the senate on their research, analysis, and recommendations by December 1, 2008.

(4))) (7) Based on the findings from subsection ((3))) (6) of this section, the employment security department, in consultation with the department and taking into account the requirements and goals of chapter 14, Laws of 2008 and other state clean energy and energy efficiency policies, shall 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. The employment security department and the department shall take into account which jobs within green economy industries will be considered middle or high-wage occupations and occupations that are part of career pathways to the same, based on family-sustaining wage and benefits ranges. These designations, and the results of the employment security department's broader labor market research, 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.

(((5))) (8) The department shall 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.

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- ((6)) The department, consistent with the priorities established by the state economic development commission, shall:
- (a) Develop targeting criteria for existing investments, and make recommendations for new or expanded financial incentives and comprehensive strategies, to recruit, retain, and expand green economy industries and small businesses; and
- (b) Make recommendations for new or expanded financial incentives and comprehensive strategies to stimulate research and development of green technology and innovation, including designating innovation partnership zones linked to the green economy.
- (((7))) (10) For the purposes of this section, "target populations" means (a) entry-level or incumbent workers ((in high-demand green industries)) who are in, or are preparing 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 ((high-demand green industries)) the green economy; (c) ((dislocated agriculture, timber, or energy sector workers who may be retrained for high-wage occupations in high-demand green industries;  $\frac{(d)}{(d)}$ )) eligible veterans or national guard members;  $((\frac{d}{(d)}))$ (d) disadvantaged populations; or <u>(e)</u> ((<del>(f)</del>)) anyone eligible to participate in the state opportunity grant program under RCW 28B.50.271.
- (((8))) (11) The legislature directs the state workforce training and education coordinating board to create and pilot green industry skill panels. These panels shall consist of business representatives industry sectors related to clean energy, labor representing workers in those industries or labor affiliates administering state-approved, joint apprenticeship programs or labormanagement 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 <u>middle or</u> high-wage occupations, or occupations that are part of career pathways to the same, within the relevant industry sector. The panel shall:
  - (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) Plan strategies to meet the recruitment and training needs of the industry and small businesses; and
- 12 (c) Leverage and align other public and private funding sources.
  - (((9))) (12) The ((green industries)) evergreen jobs ((training)) account is created in the state treasury. Funds deposited to the account may include gifts, grants, or endowments from public or private sources, in trust or otherwise. Moneys from the account must be utilized to supplement the state opportunity grant program established under RCW 28B.50.271. All receipts from appropriations directed to the account must be deposited into the account. Expenditures from the account may be used only for the activities identified in this subsection. The state board for community and technical colleges, in consultation with the state workforce training and education coordinating board, informed by the research of the employment security department and the strategies developed in this section, may authorize expenditures from the account. The state board for community and technical colleges must distribute grants from the account on a competitive basis.
  - (a)(i) Allowable uses of these grant funds, which should be used when other public or private funds are insufficient or unavailable, may include:
    - (A) Curriculum development;

- (B) Transitional jobs strategies for dislocated workers in declining industries who may be retrained for <u>middle or</u> high-wage occupations in green industries;
  - (C) Workforce education to target populations; ((and))
- 36 (D) Adult basic and remedial education as necessary linked to occupation skills training; and

1 <u>(E) Coordinated outreach efforts by institutions of higher</u> 2 education and workforce development councils.

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- (ii) Allowable uses of these grant funds do not include student assistance and support services available through the state opportunity grant program under RCW 28B.50.271.
- (b) Applicants eligible to receive these grants may be any organization or a partnership of organizations that has demonstrated expertise in:
- (i) Implementing effective education and training programs that meet industry demand; and
- (ii) Recruiting and supporting, to successful completion of those training programs carried out under these grants, the target populations of workers.
  - (c) In awarding grants from the ((green industries)) evergreen jobs ((training)) account, the state board for community and technical colleges shall give priority to applicants that demonstrate the ability to:
  - (i) 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 utilize strategies developed by green industry ((skills [skill])) skill panels;
- (ii) Leverage and align existing public programs and resources and private resources toward the goal of recruiting, supporting, educating, and training target populations of workers;
- (iii) Work collaboratively with other relevant stakeholders in the regional economy;
- 28 (iv) Link adult basic and remedial education, where necessary, with occupation skills training;
- (v) Involve employers and, where applicable, labor unions in the determination of relevant skills and competencies and, where relevant, the validation of career pathways; and
- (vi) 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.
- 37 (13) The definitions in this subsection apply throughout this

- section and sections 3 through 5 of this act unless the context clearly requires otherwise.
- 3 (a) "Apprentice" means an apprentice enrolled in an apprenticeship
  4 training program approved by the Washington state apprenticeship
  5 council.
- 6 (b) "High-demand occupation" means an occupation with a substantial number of current or projected employment opportunities.
- 8 (c) "Labor hours" means the total hours of workers receiving an
  9 hourly wage who are directly employed on the site of the project.
  10 "Labor hours" includes hours performed by workers employed by the
  11 contractor and all subcontractors working on the project. "Labor
  12 hours" does not include hours worked by foremen, superintendents, and
  13 owners.
- NEW SECTION. Sec. 3. A new section is added to chapter 28B.50 RCW to read as follows:

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- (1) The college board shall prioritize workforce training programs that lead to a credential, certificate, or degree in green economy jobs as established in chapter 14, Laws of 2008. 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 shall include but not be limited to: (a) Prioritization of the use of high employer-demand funding for workforce training programs in green economy jobs. Any additional community and technical college highdemand funding authorized for the 2009-2011 fiscal biennium and thereafter is subject to prioritization; (b) increased outreach efforts to public utilities, education, labor and 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.
- 32 (2) For purposes of this section, "target populations" means 33 veterans, members of the national guard, and low-income and 34 disadvantaged populations.
  - (3) The definitions in RCW 43.330.310(13) apply to this section.

- NEW SECTION. Sec. 4. A new section is added to chapter 28C.18 RCW 1 2 to read as follows:
- (1) The board shall prioritize workforce training programs that 3 4 lead to a credential, certificate, or degree in green economy jobs as established in chapter 14, Laws of 2008. For purposes of this section, 5 green economy jobs include those in the primary industries of a green 6 7 including clean energy, high-efficiency building, green 8 transportation, and environmental protection. Prioritization efforts shall include but not be limited to: (a) Prioritization of the use of 9 10 high employer-demand funding for workforce training programs in green economy jobs; (b) increased outreach efforts to public utilities, 11 12 education, labor and government, and private industry to develop 13 tailored, green-job training programs; and (c) increased outreach efforts to target populations. Outreach efforts shall be conducted in 14 partnership with local workforce development councils. 15
- (2) For purposes of this section, "target populations" means 16 17 veterans, members of the national guard, and low-income and disadvantaged populations. 18
- (3) The definitions in RCW 43.330.310(13) apply to this section. 19

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- 20 NEW SECTION. Sec. 5. A new section is added to chapter 49.04 RCW 21 to read as follows:
  - (1) The council shall prioritize workforce training programs that lead to apprenticeship programs in green economy jobs as established in chapter 14, Laws of 2008. 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 shall include but not be limited to: (a) Prioritization of the use of high employerdemand funding for workforce training programs in green economy jobs; (b) increased outreach efforts to public utilities, education, labor and 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.
- 35 (2) For purposes of this section, "target populations" means 36 veterans, members of the national guard, and low-income and disadvantaged populations. 37

- (3) The definitions in RCW 43.330.310(13) apply to this section.
- NEW SECTION. Sec. 6. This act may be known and cited as the evergreen jobs act."
- 4 Correct the title.

- ${\tt EFFECT:}$  (1) Clarifies legislative intent that funds received from the 2009 American Recovery and Reinvestment Act be directed to the Evergreen Jobs Initiative.
- (2) Adds to Initiative goals an effort across state agencies to draw down federal funds and deploy them in a focused, effective, coordinated manner.
- (3) Directs that the Department of Community, Trade, and Economic Development (DCTED) and the Workforce Training and Education Coordinating Board (WTB) work with a working group of specified state and local agencies, business, and labor to:
- (a) Develop and maintain an updated, prioritized list of projects statewide that will create green jobs and have long-term economic and environmental impact. Specifies uses of the list.
- (b) Develop a process and criteria to ensure that projects with high economic or environmental impact are strongly supported as "Evergreen Jobs Act Priority Projects." Specifies some of the evaluation criteria to be included, and directs additional points to be awarded for projects that meet three specified standards.
- (c) Develop, track, and report performance metrics, some of which are named.
- (d) Focus on additional local projects or high employer-demand fields as necessary and similarly report performance metrics.
- (e) Submit a progress report on December 1, 2009, to the Legislature, and subsequent quarterly reports containing specified information.
  - (4) Eliminates a completed task by the University of Washington.
- (5) Clarifies consistently that "target populations" are veterans, members of the National Guard, and low-income and disadvantaged populations. Specifies that outreach to target populations be conducted in partnership with local workforce development councils.
- (6) Removes definition of "green economy." Adds definitions of "apprentice" and "labor hours." Changes terminology throughout from "green energy" to "renewable energy" and from "green buildings" to "high-efficiency buildings."

--- END ---