E2SHB 2227 - S COMM AMD

By Committee on Economic Development, Trade & Innovation

NOT ADOPTED 04/16/2009

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 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 overall 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, a

statewide, comprehensive, and strategic plan must be developed to monitor the use of stimulus funds and 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.

- **Sec. 2.** RCW 43.330.310 and 2008 c 14 s 9 are each amended to read 22 as follows:
 - (1) The ((legislature establishes)) Washington state evergreen jobs initiative is established as 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)) with the goals of:
 - (a) 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;
 - (b) Capturing and deploying federal funds in a focused, effective, and coordinated manner;
- (c) 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;
 - (d) 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;

- (e) Making Washington state a net exporter of green industry products and services, with special attention to renewable energy technology and components;
- (f) Empowering local agencies and organizations to recruit green economy businesses and jobs into the state by providing state support and assistance;
- (g) Capitalizing on existing partnership agreements in the Washington works plan and the Washington workforce compact; and
- (h) Operating in concert with the fourteen guiding principles

 identified by the department in its Washington state's green economy

 strategic framework.
 - (2) ((The department, in consultation with the employment security department, the state workforce training and education coordinating board, the state board of [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.
 - (3)(a))) The department and the workforce training and education coordinating board, in consultation with a working group consisting of government agencies, labor, businesses, and the Washington state apprenticeship training council, must develop and regularly update a comprehensive strategic plan to:
 - (a) Coordinate efforts across the state to ensure that federal funds are captured and deployed in a focused, effective, and coordinated 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;

- 1 (iii) Public utility districts; and
- 2 (iv) Community action agencies;
- 3 (c) Support green economy projects at both the state and local
- 4 <u>level by developing a process and a framework to provide, at a minimum:</u>
- 5 <u>(i) Administrative and technical assistance;</u>
- 6 (ii) Assistance with and expediting of permit processes; and
- 7 (iii) Priority consideration of opportunities leading to exportable
- 8 green economy goods and services, including renewable energy
- 9 technology;
- 10 (d) Coordinate local and state implementation of projects using
- 11 <u>federal funds to ensure implementation is time-efficient and user-</u>
- 12 <u>friendly for local organizations;</u>
- (e) Emphasize projects that:
- (i) Have a strong and lasting economic or environmental impact;
- 15 <u>(ii) Lead to a domestically or internationally exportable good or</u>
- 16 <u>service</u>, <u>including renewable energy technology</u>;
- 17 <u>(iii) Create training programs leading to a credential,</u>
- 18 <u>certificate</u>, or degree in a green economy field;
- 19 <u>(iv) Strengthen the state's competitiveness in a particular niche</u>
- of the green economy;
- 21 <u>(v) Create employment opportunities for veterans, members of the</u>
- 22 <u>national guard, and low-income and disadvantaged populations;</u>
- 23 (vi) Comply with prevailing wage provisions of chapter 39.12 RCW;
- 24 (vii) Ensure at least fifteen percent of labor hours are performed
- 25 by apprentices;
- 26 (f) Identify emerging technologies and innovations that are likely
- 27 to contribute to advancements in the green economy, including the
- 28 <u>activities in designated innovation partnership zones established in</u>
- 29 RCW 43.330.270;
- 30 (g) Identify statewide performance metrics for projects receiving
- 31 agency assistance. Such metrics may include:
- 32 (i) The number of new green jobs created each year, their wage
- 33 levels, and, if determinable, the percentage of new green jobs filled
- 34 by veterans, members of the national quard, and low-income and
- 35 disadvantaged populations;
- 36 (ii) The total amount of new federal funding secured, the
- 37 respective amounts allocated to the state and local levels, and the

- timeliness of deployment of new funding by state agencies to the local
 level;
- 3 (iii) The timeliness of state deployment to local organizations;
 4 and
- (iv) If available, the completion rates, time to completion, and training-related placement rates for green economy postsecondary training programs;

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- (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; and
- (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 3 through 5 of this act.
- (3) The department and the workforce training and education coordinating board, in consultation with the department's working group, must provide semiannual performance reports to the governor and appropriate committees of the legislature on:
- (a) Actual statewide performance based on the performance measures identified in subsection (2)(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;
- (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 (2)(b) and (c) of this section;
- 36 (d) Recommendations for new or expanded financial incentives and
 37 comprehensive strategies to:

1 (i) Recruit, retain, and expand green economy industries and small 2 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 3 through 5 of this act; and
- (f) Any other recommended statutory changes necessary to increase the effectiveness of the evergreen jobs initiative and state responsiveness to local agencies and organizations.
- (4) 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)) and the department's working group must take the following actions:
- (a) 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 $((\cdot, \cdot))$;
- (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) Based on the findings from subsection (3) 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)); and

- (c) Define which ((jobs)) family-sustaining wage and benefits ranges 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)).
- (5) The definitions, designations, and ((the)) results of the employment security department's broader labor market research((τ)) under subsection (4) of this section 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) 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.
- (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) 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, high-wage occupations; (b) dislocated workers in declining industries who may be retrained for high-wage

occupations in high-demand green industries; (c) dislocated agriculture, timber, or energy sector workers who may be retrained for high-wage occupations in high-demand green industries; (d) eligible veterans or national guard members; (e) disadvantaged populations; or (f) anyone eligible to participate in the state opportunity grant program under RCW 28B.50.271.

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- (8))) (6) The legislature directs the state workforce training and education coordinating board to create and pilot green industry skill 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 stateapproved, 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 its working group:
- (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)) <u>Recommend</u> strategies to meet the recruitment and training needs of the industry and small businesses; and
- (c) <u>Recommend strategies to leverage and align other public and private funding sources.</u>
 - (((9))) (7) The ((green industries)) evergreen jobs training account is created in the state treasury. <u>Funds deposited to the account may include gifts</u>, grants, or endowments from public or private <u>sources</u>, 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 1 2 account may be used only for the activities identified in this The state board for community and technical colleges, in 3 subsection. 4 consultation with the state ((workforce training and education coordinating board, informed by the research of the employment security 5 6 department and the strategies developed in this section)) department 7 and its working group, may authorize expenditures from the account ((+ 8 The state board for community and technical colleges)) but must distribute grants from the account on a competitive basis. Grant funds 9 from the evergreen jobs training account should be used when other 10 11 public or private funds are insufficient or unavailable.
 - (a)(((i) Allowable uses of)) These grant funds((, which should be used when other public or private funds are insufficient or unavailable, may include)) may be used for, but are not limited to uses for:
 - (((A))) <u>(i)</u> Curriculum development;

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- 17 ((B))) <u>(ii)</u> Transitional jobs strategies for dislocated workers in 18 declining industries who may be retrained for high-wage occupations in 19 green industries;
 - (((C))) <u>(iii)</u> Workforce education to target populations; ((and
- 21 (D))) (iv) Adult basic and remedial education as necessary linked 22 to occupation skills training; and
- 23 <u>(v) Coordinated outreach efforts by institutions of higher</u> 24 <u>education and workforce development councils</u>.
 - (((ii) Allowable uses of)) (b) These grant funds ((do not include)) may not be used for student assistance and support services available through the state opportunity grant program under RCW 28B.50.271.
 - $((\frac{b}{b}))$ (c) Applicants eligible to receive these grants may be any organization or a partnership of organizations that has demonstrated expertise in:
- 31 (i) Implementing effective education and training programs that 32 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.
- 36 (((c))) <u>(d)</u> In awarding grants from the ((green industries))37 <u>evergreen</u> 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;
- 8 (ii) Leverage and align existing public programs and resources and 9 private resources toward the goal of recruiting, supporting, educating, 10 and training target populations of workers;
- 11 (iii) Work collaboratively with other relevant stakeholders in the 12 regional economy;
- 13 (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.
- 22 (8) The definitions in this subsection apply throughout this 23 section and sections 3 through 5 of this act unless the context clearly 24 requires otherwise.
 - (a) "Apprentice" means an apprentice enrolled in an apprenticeship training program approved by the Washington state apprenticeship council.
- 28 <u>(b) "High-demand occupation" means an occupation with a substantial</u>
 29 number of current or projected employment opportunities.
- 30 (c) "Labor hours" means the total hours of workers receiving an
 31 hourly wage who are directly employed on the site of the project. This
 32 includes hours performed by workers employed by the contractor and all
 33 subcontractors working on the project but does not include hours worked
 34 by foremen, superintendents, and owners.
 - (d) "Target populations" means:

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(i) Entry-level or incumbent workers who are in, or are preparing for, middle or high-wage, high-demand occupations in the green economy;

- 1 (ii) Dislocated workers in declining industries who may be 2 retrained for middle or high-wage occupations in the green economy;
 - (iii) Eligible veterans or national guard members;
- 4 <u>(iv) Disadvantaged populations; or</u>

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- 5 <u>(v) Anyone eligible to participate in the state opportunity grant</u> 6 program under RCW 28B.50.271.
- NEW SECTION. Sec. 3. A new section is added to chapter 28B.50 RCW to read as follows:
- 9 (1) The college board may prioritize workforce training programs that lead to a credential, certificate, or degree in green economy 10 11 jobs. For purposes of this section, green economy jobs include those in the primary industries of a green economy including clean energy, 12 13 high-efficiency building, green transportation, and environmental protection. Prioritization efforts may include but are not limited to: 14 (a) Prioritization of the use of high employer-demand funding for 15 16 workforce training programs in green economy jobs, if the programs meet 17 minimum criteria for identification as a high-demand program of study as defined by the state board for community and technical colleges, 18 however any additional community and technical college high-demand 19 20 funding authorized for the 2009-2011 fiscal biennium and thereafter may 21 be subject to prioritization; (b) increased outreach efforts to public 22 utilities, education, labor, government, and private industry to 23 develop tailored, green job training programs; and (c) increased 24 outreach efforts to target populations. Outreach efforts shall be 25 conducted in partnership with local workforce development councils.
- 26 (2) The definitions in RCW 43.330.310(8) apply to this section.
- NEW SECTION. Sec. 4. A new section is added to chapter 28C.18 RCW to read as follows:
 - (1) 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 increased outreach efforts to target populations. Outreach efforts may be conducted in partnership with local workforce development
- 6 (2) The definitions in RCW 43.330.310(8) apply to this section.

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- NEW SECTION. Sec. 5. A new section is added to chapter 49.04 RCW to read as follows:
 - (1) 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, 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.
- 21 (2) The definitions in RCW 43.330.310(8) apply to this section.
- 22 NEW SECTION. Sec. 6. Nothing in this act may be construed as a requirement for any agency to gain approval from another before 23 24 allocating funding to the local level. Nothing in this act may be 25 construed as precluding nonstate agencies from directly applying for and securing funds from the federal government. Nothing in this act 26 may be construed as allowing agencies to require additional reporting 27 28 or approval processes from local organizations or to impose unfunded 29 mandates on local organizations.
- 30 <u>NEW SECTION.</u> **Sec. 7.** This act may be known and cited as the 31 evergreen jobs act."

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NOT ADOPTED 04/16/2009

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

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