
SUBSTITUTE SENATE BILL 5269

State of Washington

68th Legislature

2023 Regular Session

By Senate Business, Financial Services, Gaming & Trade (originally sponsored by Senators Shewmake, Keiser, Nguyen, Randall, Valdez, and Wellman)

READ FIRST TIME 02/03/23.

1 AN ACT Relating to transforming and growing Washington state
2 manufacturing; adding a new section to chapter 43.330 RCW; and
3 creating new sections.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** The legislature finds and declares that:

6 (1) Washington state, with its strong climate commitments, highly
7 skilled workforce, and existing world-class manufacturing base is
8 well positioned to be a global leader in clean manufacturing.

9 (2) A strong state and domestic manufacturing sector can provide
10 stable, high-wage jobs and is a prerequisite to achieving Washington
11 state's statutory commitment to net zero greenhouse gas emissions by
12 2050.

13 (3) All Washingtonians deserve the opportunity of a high-road
14 manufacturing career. In building the Washington manufacturing
15 workforce pipeline, the state should fully leverage the transferable
16 skills of our existing manufacturing workforce and develop a
17 comprehensive, in-state pipeline with wraparound services and
18 equitable opportunities to ensure that every Washingtonian has a fair
19 shake at a manufacturing career and intergenerational well-being and
20 career growth opportunities.

1 (4) A holistic and coordinated state industrial strategy that
2 seeks simultaneously to transform and revitalize Washington state's
3 manufacturing base is vital to prevent the leakage of jobs and carbon
4 pollution.

5 (5) Washington has demonstrated a deep commitment to growing
6 manufacturing. In 2021, the legislature set a goal of doubling the
7 state's manufacturing base over 10 years. In 2022, the legislature
8 created tax incentives and updated siting and permitting practices to
9 accelerate the in-state production of clean energy product
10 manufacturing. Developing a statewide industrial strategy is an
11 important complement to accelerate progress and maximize the benefit
12 of new tax incentives and siting and permitting practices.

13 (6) The bipartisan infrastructure act and inflation reduction act
14 present a once in a generation opportunity to rapidly transform and
15 grow Washington's manufacturing base in a way that advances the
16 state's climate goals. The state has an important role to play in
17 ensuring that Washington fully leverages federal funding
18 opportunities and that the benefits are shared equitably.

19 (7) Washington must take steps to ensure that the transformation
20 and growth of the state's manufacturing base simultaneously addresses
21 and does not contribute to the disproportionate burden of pollution
22 on overburdened communities.

23 NEW SECTION. **Sec. 2.** (1) The department of commerce must
24 perform an independent assessment of opportunities for Washington to
25 capture new and emerging industries that align with statewide
26 greenhouse gas reduction limits and strengthen its existing
27 manufacturing base. This independent assessment must be completed and
28 shared with relevant stakeholders and the public by October 1, 2024.

29 (2) By June 1, 2025, the department of commerce must develop a
30 proactive state industrial strategy based on the independent
31 assessment required by subsection (1) of this section.

32 (3) The independent assessment must include, but is not limited
33 to:

34 (a) Assessing how the transition to net-zero emissions by 2050
35 will impact the potential futures of manufacturing in Washington,
36 including identifying specific opportunities for Washington to
37 actively seek investment in new and emerging industries and to
38 transform and strengthen the state's existing manufacturing base to
39 meet the needs of a net-zero economy, taking into account the

1 Washington's existing key sectors, job quality, and regional
2 diversity;

3 (b) Assessing the needs of Washington's existing manufacturers,
4 including supply chain challenges and resources required to meet the
5 statutory greenhouse gas emissions reductions in RCW 70A.45.020;

6 (c) Identifying opportunities to build and maximize the
7 environmental and economic benefits of a circular economy for both
8 new and existing industries in building out and strengthening
9 Washington's manufacturing base;

10 (d) Identifying what is required to attract new investment and
11 transform and strengthen Washington's existing manufacturing base,
12 including needs related to:

13 (i) Transportation and port infrastructure;

14 (ii) Supply chains;

15 (iii) Workforce; and

16 (iv) Energy; and

17 (e) Identifying opportunities to support minority and women-owned
18 firms and small and medium-sized firms in capturing new and emerging
19 industries.

20 (4) The workforce assessment referenced in subsection (3)(d)(iii)
21 of this section should: (a) Catalogue and examine how to maximize the
22 use of the existing manufacturing workforce's transferable skills;
23 (b) address any remaining skills gaps and identify opportunities to
24 build a manufacturing workforce pipeline that ensures all current and
25 future Washingtonians have fair access to a manufacturing career by
26 sector; and (c) ensure equitable and accessible pathways and
27 advancement opportunities in manufacturing by sector.

28 (5) The energy assessment referenced in subsection (3)(d)(iv) of
29 this section should include the quantity, price, and location of
30 electricity necessary to decarbonize and grow Washington's existing
31 manufacturing base and capture new and emerging industries.

32 (6) The independent assessment will not replace but may inform
33 the work of the manufacturing council created in RCW 43.330.762 to
34 advise and consult on the department of commerce's recommendations to
35 achieve the goals established in RCW 43.330.760.

36 NEW SECTION. **Sec. 3.** (1) The department of commerce must
37 appoint an industrial policy advisor to ensure that Washington state
38 fully leverages available federal funding for manufacturing to meet
39 the state's economic development goals in RCW 43.330.760 and the

1 statutory greenhouse gas emissions reductions in RCW 70A.45.020 and
2 guide the implementation of the state industrial strategy created
3 pursuant to section 2 of this act.

4 (2) The industrial policy advisor must:

5 (a) Track federal and other funding opportunities to transform
6 and strengthen existing Washington manufacturers and promote the
7 growth of new and emerging industries;

8 (b) Alert Washington manufacturers to relevant federal and other
9 funding opportunities;

10 (c) Support Washington manufacturers in applying for federal and
11 other funding opportunities and in completing required reporting;

12 (d) Work to ensure that Washington's pursuit of its goals in RCW
13 43.330.760 and 70A.45.020 are aligned and mutually reinforcing;

14 (e) Foster interagency and coordination and collaboration,
15 including with the department of commerce sector leads, on
16 manufacturing-related policymaking and activities, including both
17 climate and economic development manufacturing-related policymaking;

18 (f) Coordinate with the workforce innovation sector lead,
19 particularly with respect to building the manufacturing workforce
20 pipeline; and

21 (g) Provide quarterly reports to the manufacturing council
22 created in RCW 43.330.762.

23 (3) The industry policy advisor may also:

24 (a) Form expert committees with industry representatives to
25 develop sector-specific strategies for attracting new investment and
26 transforming and strengthening existing manufacturing consistent with
27 the industrial strategy created pursuant to section 2 of this act;

28 (b) Assist local governments with economic plans to attract new
29 investment and transform and strengthen existing manufacturing
30 consistent with the industrial strategy created pursuant to section 2
31 of this act; and

32 (c) Support communities negatively impacted by the closure or
33 relocation of manufacturing facilities by supporting efforts to
34 attract new investment consistent with the industrial strategy
35 created pursuant to section 2 of this act and facilitate the movement
36 of existing skilled manufacturing workers into new industrial
37 sectors.

38 NEW SECTION. **Sec. 4.** This act may be known and cited as the
39 Washington clean manufacturing leadership act.

1 NEW SECTION. **Sec. 5.** Section 2 of this act is added to chapter
2 43.330 RCW and codified with the subchapter heading of "MANUFACTURING
3 AND RESEARCH AND DEVELOPMENT SECTOR PROMOTION."

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