

CHRISTINE O. GREGOIRE
Governor



STATE OF WASHINGTON
OFFICE OF THE GOVERNOR

P.O. Box 40002 • Olympia, Washington 98504-0002 • (360) 753-6780 • www.governor.wa.gov

May 31, 2011

TO: Charlie Earl, Executive Director, Board for Community and Technical Colleges
Paul Trause, Commissioner, Employment Security Department

FROM: Christine O. Gregoire, Governor 

SUBJECT: Allocation of Additional Discretionary WIA Funds in Support of Washington's Aerospace Industry

As the unemployment rate is slowly decreasing and there are more "Help Wanted" signs in storefronts, it is evident that Washington State's economy is beginning to improve.

Aerospace, an important sector in our economy, received particularly good news recently when The Boeing Company was awarded a \$35 billion contract to build 179 tankers for the U.S. Air Force. An estimated 11,000 jobs are expected to be created or retained all across Washington as a result of this contract. We currently have more than 600 companies that specialize in aerospace.

We must ensure that Washingtonians have the skills and training necessary to fill as many of these jobs as possible. I am pleased to allocate \$3 million of discretionary Workforce Investment Act (WIA) funds to continue our efforts to support aerospace training in our state. In 2009, I allocated \$1.5 million in support of this critical industry. With this new investment, our efforts will continue to expand so that Washington retains its position as the home of the best aerospace workforce in the world.

I am directing these funds to the Washington State Board for Community and Technical Colleges (SBCTC) and the Washington State Employment Security Department (ESD) to be invested as defined below, pursuant to all applicable WIA rules and/or guidelines. Additionally, I am directing these agencies to provide me with semi-annual progress reports. In those reports, I request the following information:

- A narrative description of project activities, including the number of new classes offered through the community and technical colleges.
- Project successes.
- Project challenges and mitigation strategies.
- Description of any activities that resulted in cost savings and/or leveraging of other resources to support trainees.



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- Description of the participants served during the reporting period and the participant outcomes achieved including number of participants trained, number of participants hired by an aerospace firm, and wage level.

The \$3 million allocation of WIA discretionary funds shall be invested in the following:

- **\$900,000 to increase training in industry-specified training programs offered throughout the state.** Our aerospace industry partners have identified a need for individuals who are trained in composites and materials science manufacturing, general aerospace manufacturing, precision machining, airframe and power plant mechanics, and electronics. Washington's community and technical colleges and the Washington Aerospace Training and Research Center (WATR) already have strong programs in these areas. ESD is directed to work with the Workforce Development Councils to prioritize funding to students through individual training accounts so the students may attend classes at community colleges or the WATR at local discretion. ESD may also contract with our community colleges to ensure that sufficient capacity in these programs exists to meet the need for trained workers. In addition, funds may also be used to support training for newly-hired aerospace workers. ESD is directed to provide me with semi-annual progress reports through June 30, 2013.

These funds should achieve the following outcomes:

- Provide training opportunities for approximately 175 individuals seeking careers in the aerospace industry.
- Lead to employment for at least 80 percent of individuals supported by these funds.

Funds are prioritized for workers dislocated from their jobs due to poor economic conditions and low income. Funds may also be used to support other Washington job seekers.

- **\$700,000 to increase training at the WATR at Paine Field, Renton Technical College and Spokane Community College.** Providing financial aid for students, to attend training programs directly connected to current industry hiring needs, is critical in ensuring that Washingtonians fill as many emerging jobs as possible. ESD is directed to work with the Workforce Development Councils to provide funding directly to students through individual training accounts. To ensure that we invest our resources in those individuals most likely to be hired following completion of training, I am instructing ESD to ensure these funds are used to pre-screen training candidates and provide support for tuition and fees. ESD is directed to provide me with semi-annual progress reports through June 30, 2013.

These funds should achieve the following outcomes:

- Provide training opportunities for approximately 135 individuals seeking immediate employment in the aerospace industry.
- Ensure that a minimum of 80 percent of individuals supported with these funds successfully obtain employment with the industry within six months of completion of training.

Funds are prioritized for workers dislocated from their jobs due to poor economic conditions and low income. Funds may also be used to support other Washington job seekers.

- **\$300,000 to purchase equipment necessary for the operation of aerospace manufacturing and general assembly training at Renton Technical College and customized aerospace training programs at Spokane Community College.** As with our previous investment in 2009, we must ensure that our training programs have the latest equipment necessary to train students in current and future production techniques. SBCTC is directed to provide \$150,000 to Renton Technical College and \$150,000 to Spokane Community College for purchasing the equipment, tools and supplies necessary for students to successfully complete aerospace training programs. SBCTC is directed to provide me a report on equipment purchased no later than September 1, 2011.

These funds should achieve the following outcomes:

- Purchase equipment necessary to support short-term aerospace manufacturing and general assembly training programs at Renton Technical College.
 - Purchase equipment necessary to develop customized training programs based on supplier-identified needs at Spokane Community College.
 - Make an initial investment toward the supplies and tools needed for the first students to be served by these programs.
- **\$1 million to build new training in industry-identified areas at community and technical colleges throughout the state.** Our industry partners have identified the need for additional training capacity and new training programs in machine maintenance, precision machining, quality assurance and inspection, and fiber optics. To address these needs, SBCTC is directed to select educational institutions, through a competitive process, to expand capacity of existing programs in new locations throughout the state and/or develop new training programs. In order to maximize our investment, any programs created with these funds shall be considered “open source” and available for replication across the state. SBCTC is directed to provide me a semi-annual progress report through June 30, 2013. In addition, SBCTC is directed to develop performance targets for institutions selected to receive these funds. These targets should include, but not be limited to, a target for the annual number of trainees to complete each program funded.

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These funds should achieve the following outcomes:

- Collaborate with industry partners to determine the specific skills and training needed to support the industry.
 - Work with the Center of Excellence for Aerospace and Advanced Materials Manufacturing to develop innovative new training programs that are aligned with the needs of the industry and are updated regularly as industry needs change.
 - Develop efficient methods of delivering training, including but not limited to, online courses.
- **\$100,000 to K-12 programs that are designed to encourage student interest and pursuit of careers in aerospace.** SBCTC is directed to continue working with the Washington Aerospace Scholars (WAS) through the Museum of Flight to expand our 2009 investment to support additional students.

These funds should achieve the following outcomes:

- Expand interest in aerospace among K-12 students by supporting 125 students participating in the distance learning, and 75 students participating in the summer residency program components of the WAS program.
- Ensure the ability of students to obtain college credit for their participation in the WAS program.
- Continue to increase collaboration between the WAS program and SBCTC.

In this global economy, it is critical that we invest in, and train, the workers necessary to stay competitive in an industry like aerospace. Thank you for your partnership as we work towards meeting this goal.