

SENATE BILL REPORT

SB 5668

AS REPORTED BY COMMITTEE ON TRADE, TECHNOLOGY &
ECONOMIC DEVELOPMENT, FEBRUARY 26, 1993

Brief Description: Imposing requirements for giving assistance to businesses.

SPONSORS: Senators Williams, Skratek and Sheldon

SENATE COMMITTEE ON TRADE, TECHNOLOGY & ECONOMIC DEVELOPMENT

Majority Report: That Substitute Senate Bill No. 5668 be substituted therefor, and the substitute bill do pass.

Signed by Senators Skratek, Chairman; Sheldon, Vice Chairman; Erwin, M. Rasmussen, and Williams.

Minority Report: Do not pass.

Signed by Senators Bluechel and Deccio.

Staff: Jack Brummel (786-7428)

Hearing Dates: February 16, 1993; February 26, 1993

BACKGROUND:

One of the essential purposes of state economic development efforts is to provide family wage jobs for the unemployed. State economic development programs have not generally conditioned their financial or technical assistance to businesses upon the businesses' efforts at hiring the unemployed.

SUMMARY:

In order to receive state financial, technical or other assistance, a business must show that any job created as a result of the assistance won't displace a current employee and will pay at least twice the minimum wage. The business must also agree to provide a job description to the Department of Trade and Economic Development, interview and hire any qualified candidates the department suggests, and cooperate in conducting training programs that may help the unemployed qualify to be hired.

The Department of Trade and Economic Development is responsible for constructing a list of unemployed job candidates that may qualify for positions being created by a business as a result of state assistance. The department is also responsible for the development of training programs that may help unemployed persons qualify to be hired by the businesses requesting assistance.

EFFECT OF PROPOSED SUBSTITUTE:

The requirements of businesses and the department are imposed only when financial assistance of \$25,000 or more is involved. Interviews of or hiring of candidates for jobs take place only if the business determines the candidates are qualified.

Appropriation: none

Revenue: none

Fiscal Note: requested February 15, 1993

TESTIMONY FOR: None

TESTIMONY AGAINST: None

TESTIFIED: No one