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HOUSE BILL 2899

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State of Washington

55th Legislature

1998 Regular Session

By Representatives Skinner, Clements, Mason, Veloria, O'Brien, Costa, Ballasiotes, Van Luven and Conway

Read first time 01/21/98. Referred to Committee on Trade & Economic Development.

1 AN ACT Relating to youth job training and work force preparation;  
2 amending RCW 50.72.010, 50.72.020, 50.72.030, 50.72.040, 50.72.050,  
3 50.72.070, and 43.185.070; adding a new section to chapter 82.04 RCW;  
4 adding a new section to chapter 48.14 RCW; adding a new section to  
5 chapter 50.72 RCW; adding a new section to chapter 28C.18 RCW;  
6 repealing RCW 50.67.030; making an appropriation; providing an  
7 effective date; and providing expiration dates.

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

9 **Sec. 1.** RCW 50.72.010 and 1994 sp.s. c 3 s 1 are each amended to  
10 read as follows:

11 (1) The legislature finds that there is a need to:

12 (a) Expand the supply of permanent affordable housing for homeless  
13 individuals, low and very low-income persons, and special need  
14 populations by utilizing the energies and talents of economically  
15 disadvantaged youth;

16 (b) Provide economically disadvantaged youth with opportunities for  
17 meaningful work and service to their communities in helping to meet the  
18 housing needs of homeless individuals, low and very low-income persons,  
19 and special need populations;

1 (c) Enable economically disadvantaged youth to obtain the education  
2 and employment skills necessary to achieve economic self-sufficiency;  
3 and

4 (d) Foster the development of leadership skills and commitment to  
5 community development among youth (~~(in designated community empowerment~~  
6 ~~zones))~~).

7 (2) The legislature declares that the purpose of the Washington  
8 (~~youthbuilt~~) youthbuilt program is to:

9 (a) Help disadvantaged youth who have dropped out of school to  
10 obtain the education and employment skills necessary to achieve  
11 economic self-sufficiency and develop leadership skills and a  
12 commitment to community development (~~(in designated community~~  
13 ~~empowerment zones))~~); and

14 (b) Provide funding assistance to entities implementing programs  
15 that provide comprehensive education and skills training programs  
16 designed to lead to self-sufficiency for economically disadvantaged  
17 youth.

18 **Sec. 2.** RCW 50.72.020 and 1994 sp.s. c 3 s 2 are each amended to  
19 read as follows:

20 Unless the context clearly requires otherwise, the definitions in  
21 this section apply throughout this chapter.

22 (1) "Applicant" means a public or private nonprofit organization  
23 agency eligible to provide education and employment training under  
24 federal or state employment training programs.

25 (2) "Commissioner" means the commissioner of employment security.

26 (3) "Department" means the employment security department.

27 (4) "Low income" has the same meaning as in RCW 43.185A.010.

28 (5) (~~("Participant" means an individual that:~~

29 ~~(a) Is sixteen to twenty four years of age, inclusive;~~

30 ~~(b) Is or is a member of a very low income household; and~~

31 ~~(c) Is))~~ "Individual who has dropped out of high school" means an  
32 individual who is neither attending any school nor subject to a  
33 compulsory attendance law and who has not received a secondary school  
34 diploma or a certificate of equivalency for such diploma.

35 (6) "Very low income" means a person or household whose income is  
36 at or below fifty percent of the median family income, adjusted for  
37 household size, for the county where the household is located.

1 (7) (~~"Youthbuild"~~) "Youthbuilt" means any program that provides  
2 disadvantaged youth with opportunities for employment, education,  
3 leadership development, entrepreneurial skills development, and  
4 training in the construction or rehabilitation of housing for special  
5 need populations, very low-income households, or low-income households.

6 **Sec. 3.** RCW 50.72.030 and 1994 sp.s. c 3 s 3 are each amended to  
7 read as follows:

8 The Washington (~~youthbuild~~) youthbuilt program is established  
9 within the department. The commissioner(~~(, in cooperation and~~  
10 ~~consultation with the director of the department of community, trade,~~  
11 ~~and economic development, shall)~~) may:

12 (1) Make grants, up to the lesser of three hundred thousand dollars  
13 or twenty-five percent of the total costs of the (~~youthbuild~~)  
14 youthbuilt activities, to applicants eligible to provide education and  
15 employment training under federal or state employment training  
16 programs, for the purpose of carrying out a wide range of  
17 multidisciplinary activities and services to assist economically  
18 disadvantaged youth under the federal opportunities for youth:  
19 Youthbuild program (106 Stat. 3723; 42 U.S.C. Sec. 8011), or locally  
20 developed (~~youthbuild-type~~) youthbuilt-type programs for economically  
21 disadvantaged youth; (~~and~~)

22 (2) Coordinate youth employment and training efforts under the  
23 department's jurisdiction and cooperate with other agencies and  
24 departments providing youth job training or work force preparation  
25 services to ensure that funds appropriated for the purposes of this  
26 chapter will be used to supplement funding from federal, state, local,  
27 or private sources; and

28 (3) Provide a waiver to allow an applicant's program to select no  
29 more than twenty-five percent of the participants in its program who do  
30 not meet the requirement of RCW 50.72.050(1)(c), but who have  
31 educational needs despite attainment of a high school diploma or its  
32 equivalent.

33 **Sec. 4.** RCW 50.72.040 and 1994 sp.s. c 3 s 4 are each amended to  
34 read as follows:

35 (1) Grants made under this chapter shall be used to fund an  
36 applicant's activities to implement a comprehensive education and  
37 employment skills training program.

1 (2) Activities eligible for assistance under this chapter include:

2 (a) Education and job skills training services and activities that  
3 include:

4 (i) Work experience and skills training, coordinated to the maximum  
5 extent feasible, with preapprenticeship and apprenticeship programs in  
6 construction and rehabilitation trades;

7 (ii) Services and activities designed to meet the educational needs  
8 of participants, including basic skills instruction and remedial  
9 education, bilingual education for participants with limited-English  
10 proficiency, secondary education services and activities designed to  
11 lead to the attainment of a high school diploma or its equivalent, and  
12 counseling and assistance in attaining postsecondary education and  
13 required financial aid;

14 (b) Counseling services and related activities;

15 (c) Activities designed to develop employment and leadership  
16 skills;

17 (d) Support services and need-based stipends necessary to enable  
18 the participant to participate in the program and to assist  
19 participants through support services in retaining employment;

20 (e) Wage stipends and benefits provided to participants; and

21 (f) Administrative costs of the applicant, not to exceed ~~((five))~~  
22 nine percent of the amount of assistance provided under this chapter.

23 **Sec. 5.** RCW 50.72.050 and 1994 sp.s. c 3 s 5 are each amended to  
24 read as follows:

25 (1) Except as provided in RCW 50.72.030(3), an individual selected  
26 to participate in a youthbuilt program funded under this chapter must  
27 be:

28 (a) Sixteen through twenty-four years of age, inclusive;

29 (b) A very low-income individual or a member of a very low-income  
30 household; and

31 (c) An individual who has dropped out of high school.

32 (2) An individual selected as a participant in the ~~((youthbuilt))~~  
33 youthbuilt program under this chapter may be offered full-time  
34 participation for a period of not less than six months and not more  
35 than twenty-four months.

36 ~~((+2))~~ (3) An applicant's program that is selected for funding  
37 under this chapter shall be structured so that fifty percent of the  
38 time spent by the participants in the ~~((youthbuilt))~~ youthbuilt program

1 is devoted to educational services and activities, such as those  
2 outlined in RCW 50.72.040.

3 **Sec. 6.** RCW 50.72.070 and 1994 sp.s. c 3 s 7 are each amended to  
4 read as follows:

5 (1) An applicant selected for funding under this chapter shall  
6 provide the department information on program and participant  
7 accomplishments. The information shall be provided in progress and  
8 final reports as requested by the department.

9 (2) ~~((The department shall prepare an initial evaluation report,  
10 which shall be made available to the governor and appropriate  
11 legislative committees, on or before December 1, 1995, on the progress  
12 of individual programs funded under this chapter. A final evaluation  
13 report shall be prepared on individual programs at the time of their  
14 completion.))~~ The department shall include, as part of its report to  
15 the governor and legislature, a report on the activities of individual  
16 programs funded under this chapter. The ~~((final evaluation))~~ report  
17 shall include, but is not limited to, information on the effectiveness  
18 of the program, the status of program participants, and recommendations  
19 on program administration at the state and local level.

20 **Sec. 7.** RCW 43.185.070 and 1994 sp.s. c 3 s 9 are each amended to  
21 read as follows:

22 (1) During each calendar year in which funds from the housing trust  
23 fund or other legislative appropriations are available for use by the  
24 department for the housing assistance program, the department shall  
25 announce to all known interested parties, and through major media  
26 throughout the state, a grant and loan application period of at least  
27 ninety days' duration. This announcement shall be made as often as the  
28 director deems appropriate for proper utilization of resources. The  
29 department shall then promptly grant as many applications as will  
30 utilize available funds less appropriate administrative costs of the  
31 department. Administrative costs paid out of the housing trust fund  
32 may not exceed four percent of annual revenues available for  
33 distribution to housing trust fund projects. In awarding funds under  
34 this chapter, the department shall provide for a geographic  
35 distribution on a state-wide basis.

36 (2) The department shall give first priority to applications for  
37 projects and activities which utilize existing privately owned housing

1 stock including privately owned housing stock purchased by nonprofit  
2 public development authorities and public housing authorities as  
3 created in chapter 35.82 RCW. As used in this subsection, privately  
4 owned housing stock includes housing that is acquired by a federal  
5 agency through a default on the mortgage by the private owner. Such  
6 projects and activities shall be evaluated under subsection (3) of this  
7 section. Second priority shall be given to activities and projects  
8 which utilize existing publicly owned housing stock. All projects and  
9 activities shall be evaluated by some or all of the criteria under  
10 subsection (3) of this section, and similar projects and activities  
11 shall be evaluated under the same criteria.

12 (3) The department shall give preference for applications based on  
13 some or all of the criteria under this subsection, and similar projects  
14 and activities shall be evaluated under the same criteria:

15 (a) The degree of leveraging of other funds that will occur;

16 (b) The degree of commitment from programs to provide necessary  
17 habilitation and support services for projects focusing on special  
18 needs populations;

19 (c) Recipient contributions to total project costs, including  
20 allied contributions from other sources such as professional, craft and  
21 trade services, and lender interest rate subsidies;

22 (d) Local government project contributions in the form of  
23 infrastructure improvements, and others;

24 (e) Projects that encourage ownership, management, and other  
25 project-related responsibility opportunities;

26 (f) Projects that demonstrate a strong probability of serving the  
27 original target group or income level for a period of at least twenty-  
28 five years;

29 (g) The applicant has the demonstrated ability, stability and  
30 resources to implement the project;

31 (h) Projects which demonstrate serving the greatest need;

32 (i) Projects that provide housing for persons and families with the  
33 lowest incomes;

34 (j) Projects serving special needs populations which are under  
35 statutory mandate to develop community housing;

36 (k) Project location and access to employment centers in the region  
37 or area;

1 (1) Projects that provide employment and training opportunities for  
2 disadvantaged youth under a (~~youthbuilt~~) youthbuilt or (~~youthbuilt-~~  
3 ~~type~~) youthbuilt-type program as defined in RCW 50.72.020; and

4 (m) Project location and access to available public transportation  
5 services.

6 (4) The department shall only approve applications for projects for  
7 mentally ill persons that are consistent with a regional support  
8 network six-year capital and operating plan.

9 NEW SECTION. **Sec. 8.** A new section is added to chapter 82.04 RCW  
10 to read as follows:

11 (1) There may be credited against the tax imposed by this chapter,  
12 a credit equal to one hundred percent of the person's or company's  
13 contribution to a local youthbuilt or youthbuilt-type program as  
14 defined in RCW 50.72.020.

15 (2) Prior to claiming the credit under this section, the person or  
16 company must obtain approval of the contribution from the employment  
17 security department before the actual contribution is made. The  
18 application must be made in a form and manner approved by the  
19 department of revenue and the employment security department.

20 (3) No person or company is eligible for a tax credit in excess of  
21 one million dollars during the calendar year and a tax credit may not  
22 be granted to a person or company for an amount contributed of less  
23 than one thousand dollars.

24 (4) The department of revenue shall keep a running total of tax  
25 credits granted under this section and section 9 of this act during  
26 each calendar year and shall disallow any credits that would cause the  
27 total credits for any calendar year to exceed five million dollars. A  
28 person or company whose credit is disallowed under this subsection may  
29 carry the credit forward and take the credit during the earliest  
30 calendar year or calendar years during which the total of all credits  
31 granted under this section and section 9 of this act does not exceed  
32 five million dollars. The department of revenue, in allowing the  
33 credit, shall give priority to a person or company whose credit has  
34 been previously disallowed under this subsection and section 9 of this  
35 act over a person or company initially claiming the credit under this  
36 section and section 9 of this act.

37 (5) This section expires July 1, 2002.

1        NEW SECTION.    **Sec. 9.**    A new section is added to chapter 48.14 RCW  
2 to read as follows:

3        (1) There may be credited against the tax imposed by RCW 48.14.020,  
4 an amount equal to one hundred percent of the business's contribution  
5 to a local youthbuilt or youthbuilt-type program as defined in RCW  
6 50.72.020.

7        (2) Prior to claiming the credit under this section, the business  
8 must obtain approval of the contribution from the employment security  
9 department before the actual contribution is made. The application  
10 must be made in a form and manner approved by the department of revenue  
11 and the employment security department.

12        (3) No business is eligible for a tax credit in excess of one  
13 million dollars during the calendar year and a tax credit may not be  
14 granted to a business for an amount contributed of less than one  
15 thousand dollars.

16        (4) The department of revenue shall keep a running total of tax  
17 credits granted under this section and section 8 of this act during  
18 each calendar year and shall disallow any credits that would cause the  
19 total credits for any calendar year to exceed five million dollars. A  
20 business whose credit is disallowed under this subsection may carry the  
21 credit forward and take the credit during the earliest calendar year or  
22 calendar years during which the total of all credits granted under this  
23 section and section 8 of this act does not exceed five million dollars.  
24 The department of revenue, in allowing the credit, shall give priority  
25 to a business whose credit has been previously disallowed under this  
26 subsection and section 8 of this act over a business initially claiming  
27 the credit under this section and section 8 of this act.

28        (5) This section expires July 1, 2002.

29        NEW SECTION.    **Sec. 10.**    A new section is added to chapter 50.72 RCW  
30 to read as follows:

31        This chapter may be known and cited as the Washington youthbuilt  
32 act.

33        NEW SECTION.    **Sec. 11.**    A new section is added to chapter 28C.18  
34 RCW to read as follows:

35        In addition to its duties under this chapter, the work force  
36 training and education coordinating board shall advise the employment



1 security department on the development and implementation of the  
2 Washington youthbuilt program created under chapter 50.72 RCW.

3 NEW SECTION. **Sec. 12.** RCW 50.67.030 and 1994 sp.s. c 3 s 8 are  
4 each repealed.

5 NEW SECTION. **Sec. 13.** Sections 8 and 9 of this act take effect  
6 July 1, 1998.

7 NEW SECTION. **Sec. 14.** If any provision of this act or its  
8 application to any person or circumstance is held invalid, the  
9 remainder of the act or the application of the provision to other  
10 persons or circumstances is not affected.

11 NEW SECTION. **Sec. 15.** The sum of six hundred thousand dollars, or  
12 as much thereof as may be necessary, is appropriated for the fiscal  
13 year ending June 30, 1999, from the general fund to the employment  
14 security department for the purposes of the Washington youthbuilt  
15 program created under chapter 50.72 RCW.

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