
HOUSE BILL 2688

State of Washington

56th Legislature

2000 Regular Session

By Representatives McIntire, Carlson, Kenney, Radcliff, Conway,
Clements and Tokuda

Read first time . Referred to Committee on .

1 AN ACT Relating to earned income training credits; and adding new
2 sections to chapter 28B.50 RCW.

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

4 NEW SECTION. **Sec. 1.** A new section is added to chapter 28B.50 RCW
5 to read as follows:

6 (1)(a) The college board shall establish and administer an earned
7 income training credit program as provided in this section for persons
8 with qualifying children who received an earned income tax credit under
9 the federal internal revenue code. Persons with qualifying children
10 who received an earned income tax credit shall receive earned income
11 training credits in an amount equal to fifty percent of the earned
12 income tax credit received in a year, up to the maximum established in
13 (b) of this subsection. If the recipient of training credits does not
14 use the credits in the year the credits are received, then credits may
15 be accumulated over time up to the maximum established in (b) of this
16 subsection.

17 (b) For each school year beginning with the 2000-01 school year,
18 the college board shall determine the maximum amount that a recipient
19 may receive in earned income training credits, which shall equal six

1 times the quarterly tuition, as defined in RCW 28B.15.020, for that
2 school year at community and technical colleges.

3 (2)(a) Earned income training credits must be used within five
4 years from the year in which the credits are received. A recipient
5 must have a minimum of one thousand dollars in credits before the
6 credits may be used. The maximum amount of credits that the recipient
7 may use during his or her lifetime is equal to the maximum amount of
8 credits established under subsection (1)(b) of this section for the
9 school year in which the recipient first uses the credits.

10 (b) Earned income training credits are not transferable.

11 (3) Earned income training credits may be used, subject to
12 available funding:

13 (a) For tuition at an institution of higher education as defined in
14 RCW 28B.10.016; or

15 (b)(i) To reimburse a current or prospective employer who redeems
16 the credits from the recipient and agrees to provide training for the
17 recipient under a training contract entered into by the employer, or
18 prospective employer, the employee, and the college board. The
19 training contract must meet the college board's standards for training
20 and must establish the value of the training. The employer
21 participating under a contract to train a recipient who is an employee
22 or prospective employee may be reimbursed for the on-the-job training
23 provided under the contract in an amount not exceeding the value of the
24 training as established by the contract or the earned income training
25 credits redeemed by the employer, whichever is less.

26 (ii) The college board shall adopt rules setting standards for
27 defining the training, employment, and wage assumptions, and for
28 establishing the value of the training under a training contract for
29 employer reimbursement purposes.

30 (4) Earned income training credits shall be available beginning
31 January 1, 2001, for earned income tax credits received for federal
32 income taxes filed for the 2000 tax year.

33 (5) Subject to available funding, if a recipient of training
34 provided under subsection (3)(a) of this section is enrolled in a
35 program of study at least half time, the recipient is eligible, as
36 provided under rules adopted by the college board, for:

37 (a) State subsidized child care; and

38 (b) A financial aid state supplement of up to the difference
39 between (i) the maximum amount of financial aid, from all sources, for

1 which the student would be eligible based on the state's calculation of
2 need and (ii) the amount of total financial aid awarded for the
3 academic year to the student from a federal Pell grant, state need
4 grant, and work study.

5 (6) Only persons who would qualify as resident students under RCW
6 28B.15.012 are eligible for the earned income training credit program.

7 NEW SECTION. **Sec. 2.** A new section is added to chapter 28B.50 RCW
8 to read as follows:

9 The college board shall, with the cooperation of the employment
10 security department, report on the impact of section 1 of this act to
11 the work force training and education coordinating board, or a
12 successor board, and the appropriate committees of the legislature by
13 December 1st of even-numbered years, beginning in 2002. The report
14 must include:

15 (1) The number of people receiving training;

16 (2) The cost of the training;

17 (3) The cost of program administration;

18 (4) For those persons whose credits were used for training at
19 institutions of higher education under section 1(3)(a) of this act:

20 (a) Their employment status; and

21 (b) The number of workers receiving tuition benefits by institution
22 and general area of study; and

23 (c) Training outcomes, including indices of placement rates,
24 student demographics, training plan completion rates, and comparisons
25 of preprogram and postprogram wage levels; and

26 (5) For those persons using the credit for employee training under
27 section 1(3)(b) of this act, a report on:

28 (a) Their job and wage progression; and

29 (b) The number of workers receiving training by industry, size of
30 firm, and occupation.

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