

FINAL BILL REPORT

E2SHB 2630

PARTIAL VETO C 24 L 10 E1 Synopsis as Enacted

Brief Description: Regarding the opportunity express program.

Sponsors: House Committee on Education Appropriations (originally sponsored by Representatives Probst, Kenney, Conway, Maxwell, Jacks, White, Simpson, Seaquist, Sells, Goodman, Ormsby and Santos).

House Committee on Higher Education
House Committee on Education Appropriations
Senate Committee on Ways & Means

Background:

Worker Retraining Program.

The Worker Retraining Program (WRP) provides funding to dislocated and unemployed workers for training programs and related support services including financial aid, career advising, educational planning, referral to training resources, job referral, and job development. The WRP includes a grant of financial aid to students that can be used to help pay for tuition, books, fees, and related expenses. To qualify, a person must be eligible for or have exhausted his or her unemployment compensation benefits within the last 24 months. Dislocated workers and long-term unemployed people have priority access to training and support services. Displaced homemakers, those formerly self-employed, and unemployed veterans recently separated from service may also qualify. Vulnerable workers defined as those who are employed but in declining occupations and have less than one year of college education plus a credential may qualify depending upon the economic status of the local community.

The State Board for Community and Technical Colleges (SBCTC) administers the WRP program and requires each college to convene a worker retraining advisory committee (committee). The committee must include involvement from business and labor and is required to help colleges link students to high-wage, high-employer demand programs suited to local needs. Each college is also required to submit an annual plan that lays out how WRP program funds will be used and how WRP programs are linked to the overall economic

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development strategy of the region. Each college may contract with private career colleges to provide WRP program capacity.

During the economic recession of 2008-2009, demand for the WRP expanded. Compared to the same academic quarter in the prior year, worker retraining enrollments grew 26 percent in fall quarter 2008, 39 percent in winter quarter 2008, and 50 percent in spring quarter 2009. Worker retraining enrollments are driven in large part by unemployment rates. At the start of the 2008-09 academic year the state's unemployment rate was 5.41 percent. Unemployment grew steadily throughout the year and reached just over 9 percent as of January 2010. Unemployment is expected to continue to increase through spring 2010, topping out at almost 10 percent. Last year the program served 8,900 full-time equivalent students (FTES).

Opportunity Grant Program.

The SBCTC administers the Opportunity Grant (OPP) program that is designed to assist low-income students enroll in college for training in high-wage, high-demand career pathways. These pathways are to provide a minimum beginning wage of \$13 per hour in Washington (\$15 per hour in King County). Eligible students pursuing approved career pathways at any of the 34 Washington community and technical colleges or eight approved private career colleges may receive funds for tuition and fees for up to 45 credits and up to an additional \$1,000 for books, supplies, or tools. To qualify, a person must make a formal application to the OPP program, be a Washington resident student, enroll in an Opportunity Grant-eligible program of study, have family income that is at or below 200 percent of the federal poverty level using the most current guidelines available, and have financial need based on federal methodology from the Free Application for Federal Student Aid.

In 2006 an appropriation of \$4 million in state funds kicked off an OPP pilot project at 10 community and technical colleges. The 10 pilot OPP programs showed positive results with 73 percent retention and approximately 843 low-income students participating in training for high-wage, high-demand career pathways. In 2007 the OPP program was expanded by \$7.5 million for a total of \$11.5 million per year for all 34 community and technical colleges. In 2007-08 the OPP program served over 2,000 FTES or approximately 3,000 full-time and part-time students. Again, student persistence exceeded expectations with an 81 percent fall to spring retention rate. By 2008 the OPP program had grown to serve almost 5,000 full- and part-time students equivalent to 3,305 FTES.

Opportunity Internships.

Created in 2009, the Opportunity Internship program (OI program) provides incentives for local consortia to build educational and employment pipelines for low income high school students in high-demand occupations in targeted industries. The OI program is administered by the Workforce Training and Education Coordinating Board (WTECB) and offers outreach, internships, pre-apprenticeships, counseling, and up to one year of financial aid through the State Need Grant, as well as the promise of a job interview if the student completes a postsecondary program of study.

Under the OI program, consortia, composed of the area Workforce Development Councils (WDC), Economic Development Council, high schools, community or technical colleges,

public and private four-year institutions of higher education, apprenticeship councils, private vocational schools, employers, and labor organizations use existing federal, state, and private resources to:

- identify high-demand occupations in targeted industries for which internships and pre-apprenticeships will be developed and provided for low income students;
- develop paid or unpaid internships and pre-apprenticeships of at least 90 hours in length; and
- provide mentoring, guidance, and assistance with college applications and financial aid.

The law limits the OI program to 10 consortia and the number of students who may participate per consortia to 100. This creates a statewide cap of 1,000 students per year.

Summary:

In administering the WRP, community and technical colleges must give priority to programs that train students in aerospace, healthcare, advanced manufacturing, construction, forest products, or renewable energy. The colleges may also prioritize additional programs of study if those programs are linked to high-demand industries identified in the state comprehensive plan for workforce development by the WTECB, as well as in local workforce development plans developed by area WDC. Additional industries and occupations identified by the area WDC may also be prioritized.

The SBCTC is encouraged to create a single website to advertise the availability of workforce education and training resources. The website must explain that the Opportunity Express program helps people who want to pursue college and apprenticeships for certain targeted industries within the following tracks: (1) worker retraining for unemployed adults; (2) training programs approved by the Commissioner of the Employment Security Department, training programs administered by labor and management partnerships, and training programs prioritized by industry for unemployed adults and incumbent workers; (3) the Opportunity Grant program for low-income adults; and (4) the Opportunity Internship program for low-income high school students. The website may also include a link to the Washington State Department of Labor and Industries apprenticeship program. If the SBCTC opts to create the website, it must be completed by July 1, 2010.

The Opportunity Express Account (Account) is created and stipulates that money in the Account may only be used for the worker retraining program, training programs approved by the Commissioner of the Employment Security Department, training programs administered by labor and management partnerships, industry-prioritized programs, training programs that facilitate career progression in healthcare occupations -- including long-term care, the Opportunity Internship program, and the Opportunity Grant program. Funding may also be used for administrative costs related to these programs. Funding appropriated from the Account may only supplement, not supplant, existing funding for the Opportunity Grant program.

The OI program is expanded during Fiscal Years 2011-2013 to include no more than 12 participating consortia and up to 5,000 students per year, with no per consortia limit on the

number of students served. The WTECB is directed to assure a geographic distribution of consortia in regions across the state.

Votes on Final Passage:

House 92 2

First Special Session

House 90 3

Senate 34 11 (Senate amended)

House 88 8 (House concurred)

Effective: July 13, 2010

Partial Veto Summary: The partial veto removes section six of the bill, which contained an emergency clause that would have made the bill effective immediately. The bill will now take effect 90 days after the end of the first special session.