

SENATE BILL REPORT

2SHB 1355

As Reported by Senate Committee On:
Higher Education & Workforce Development, March 24, 2009

Title: An act relating to establishing the opportunity internship program for high school students.

Brief Description: Establishing the opportunity internship program for high school students.

Sponsors: House Committee on Ways & Means (originally sponsored by Representatives Probst, Quall, Kessler, Sullivan, Wallace, Maxwell, Rolfes, Springer, Green, Jacks, Carlyle, Kenney, Ormsby, Seaquist, Lias, Sells, Priest, Dammeier, Hunt, Hudgins, Morrell, Van De Wege, Moeller, Chase, Conway, Goodman, Driscoll, Simpson, Santos and Kelley).

Brief History: Passed House: 3/05/09, 65-32.

Committee Activity: Higher Education & Workforce Development: 3/18/09, 3/24/09 [DP-WM, DNP, w/oRec].

SENATE COMMITTEE ON HIGHER EDUCATION & WORKFORCE DEVELOPMENT

Majority Report: Do pass and be referred to Committee on Ways & Means.

Signed by Senators Kilmer, Chair; Jarrett, Vice Chair; Jacobsen, Kastama, McAuliffe and Shin.

Minority Report: Do not pass.

Signed by Senator Stevens.

Minority Report: That it be referred without recommendation.

Signed by Senators Becker, Ranking Minority Member; Hewitt and Pflug.

Staff: Aldo Melchiori (786-7439)

Background: The Workforce Training and Education Coordinating Board (WTECB) is charged with coordinating planning, policy, and accountability for 18 workforce programs. At the local level there are 12 workforce development councils (councils) made up of a broad array of community organizations, businesses, labor, education agencies, and local governments. The councils coordinate local workforce development services, provide outreach to employers, convene local leaders to address regional and industry-specific issues,

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and oversee the state's WorkSource system. One of the target populations for the councils' services is disadvantaged youth.

In 2005 the Association of the 12 Councils received an earmark grant from the U.S. Department of Labor to create an internship and scholarship program for high school students that was intended to address local workforce needs in strategic growth industries. The In-Demand Scholars Program included classroom presentations, internships or job shadows for students, and scholarships for postsecondary training for eligible students to give them the skills needed to develop careers in the targeted industries. Six of the councils participated and provided a total of 144 scholarships.

The State Need Grant (SNG) is the state's primary financial aid program to assist needy students with the costs of postsecondary education. Students with family incomes of up to 70 percent of the state median family income are eligible for a grant for up to five years of study at an institution of higher education in Washington. In 2007-08 approximately 70,000 students received \$182 million in grants from the SNG.

Summary of Bill: The Opportunity Internship Program (OIP) is created. The OIP is administered by the WTECB. Consortia are composed of the local Workforce Development Council (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.

Under the OIP, consortia commit to conducting identified activities using existing federal, state, and private resources. Consortia are encouraged to designate the WDC as fiscal agent; provide summer internships; work with area high schools to incorporate the OIP into counseling programs; and coordinate with other workforce education and financial aid programs. Each consortium may select no more than 100 low-income students per year to participate in the OIP.

Consortia submit lists of OIP graduates to the WTECB. Those OIP graduates who enroll in a postsecondary program of study within one year of high school graduation are eligible to receive a SNG for up to one year. Program graduates must be enrolled in an approved institution of higher education, which can include related and supplemental instruction for apprentices that is provided through a community or technical college. Program graduates who are in an apprenticeship or preapprenticeship program can use the SNG award to pay for instruction, tools, and other program costs.

Subject to funds provided for this purpose, a consortium receives a \$2,000 payment for each OIP graduate who completes a postsecondary program of study and then obtains and retains employment in a high demand occupation for at least six months. If there are not sufficient funds, the WTECB prorates the payment across the consortia and informs the Governor and Legislature of the amount of the shortfall. Payments must be used to continue operating OIPs.

The WTECB conducts an outcome evaluation of the financial benefits of the OIP. A preliminary analysis is due December 1, 2012, and a final analysis is due by December 1, 2014.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: The pilot program succeeded beyond expectations, serving 144 students with only one dropout. The employer match was also greater than expected. The program helps students get an education and work experience so that they can move into the economy. Training our next generation of students is even more important now in these challenging economic times.

Persons Testifying: PRO: Representative Probst, prime sponsor; Sue Ambler, Workforce Development Council in Snohomish County; Lori Province, Washington State Labor Council, AFL-CIO.