

FINAL BILL REPORT

SSB 5616

C 296 L 09
Synopsis as Enacted

Brief Description: Connecting business expansion and recruitment to customized training.

Sponsors: Senate Committee on Economic Development, Trade & Innovation (originally sponsored by Senators Shin, Kastama and Kilmer).

Senate Committee on Economic Development, Trade & Innovation
House Committee on Higher Education
House Committee on Education Appropriations

Background: The Washington Customized Employment Workforce Training Program (the program) was created in 2006 for employers locating or expanding in the state. The State Board for Community and Technical Colleges (SBCTC) administers the program. Training allowances are awarded to employers who have entered into training agreements with colleges in the state. Preference in granting training allowances is given to employers with fewer than 50 employees.

The Employment Training Finance Account (the account) was funded for SBCTC to provide training allowances. At the completion of training, employers are required to pay one-quarter of the cost of the training into the account. The additional three-quarters of the cost are to be paid into the account over the following 18 months. A business and occupation tax credit is provided to employers for half of the amount that they pay into the account for employee training.

Employers are expected to increase their employment in the state by an amount equal to at least 75 percent of the trainees in their training program. If this goal is not met, the employer is expected to make additional payments to the account.

The program expires on July 1, 2012.

Summary: During 2009 and 2010, employers participating in the program may delay payments to the account. The expectation that participants will increase employment in the state by an amount equal to at least 75 percent of the trainees is changed to a requirement that participants must make good faith efforts to hire from trainees in the participant's training program. Colleges must make good faith efforts to use trainers preferred by participants.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The SBCTC must ensure a seamless process toward participation in the program for employers that have qualified for the Job Skills Program but are not able to participate because those funds have been committed.

Up to \$75,000 per year from the account may be used by SBCTC for training, marketing, and facilitation services to increase the use of the program.

Votes on Final Passage:

Senate	46	0	
House	98	0	(House amended)
Senate	46	0	(Senate concurred)

Effective: July 26, 2009