
SENATE BILL 5616

State of Washington

61st Legislature

2009 Regular Session

By Senators Shin, Kastama, and Kilmer

Read first time 01/27/09. Referred to Committee on Economic Development, Trade & Innovation.

1 AN ACT Relating to connecting business expansion and recruitment to
2 customized training; amending RCW 28B.67.020, 28B.67.030, and
3 82.04.449; adding a new section to chapter 28B.67 RCW; and declaring an
4 emergency.

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

6 **Sec. 1.** RCW 28B.67.020 and 2006 c 112 s 3 are each amended to read
7 as follows:

8 (1) The Washington customized employment training program is hereby
9 created to provide training assistance to employers locating or
10 expanding in the state.

11 (2)(a) Application to receive funding under this program shall be
12 made to the board in a form and manner as specified by the board.
13 Successful applicants shall receive a training allowance from the board
14 to cover the costs of training at a qualified training institution.
15 Employers may not receive an allowance for training costs which exceed
16 the maximum annual training cost per employee, as established by the
17 board, and are not eligible to receive an allowance or allowances of
18 over five hundred thousand dollars per calendar year.

1 (b) Allowances shall be granted for applicants who meet the
2 following criteria:

3 (i) The employer must have entered into an agreement with a
4 qualified training institution to engage in customized training and the
5 employer must agree to: (A) Upon completion of the training, make a
6 payment to the employment training finance account created in RCW
7 28B.67.030 in an amount equal to one-quarter of the amount of the
8 training allowance; and (B) over the subsequent eighteen months, make
9 monthly or quarterly payments, as specified in the agreement, to the
10 employment training finance account created in RCW 28B.67.030 in an
11 amount equal to three-quarters of the amount of the training allowance.
12 During calendar years 2009 and 2010, participants may delay payments
13 due under this section for up to eighteen months. The payments into
14 the employment training finance account provided for in this section do
15 not constitute payment to the institution.

16 (ii) (~~The employer must ensure that the number of employees an~~
17 ~~employer has in the state during the calendar year following the~~
18 ~~completion of the training program will equal the number of employees~~
19 ~~the employer had in the state in the calendar year preceding the start~~
20 ~~of the training program plus seventy five percent of the number of~~
21 ~~trainees.)) When hiring, the employer must make good faith efforts, as
22 determined by the board, to hire from trainees in the participant's
23 training program. The agreement with the qualified training
24 institution provided for in (b)(i) of this subsection shall specify
25 terms for reimbursement or additional payment to the employment
26 training finance account by the employer if the (~~employment criterion~~
27 ~~of this subsection is not met)) participant does not, when hiring, make
28 good faith efforts to hire from trainees in the participant's training
29 program.~~~~

30 (iii) The training (~~grant~~) allowance may not be used to train
31 workers who have been hired as a result of a strike or lockout.

32 (c) Preference shall be given to employers with fewer than fifty
33 employees.

34 (3) Qualified training institutions may enter into agreements with
35 four-year institutions of higher education, as defined in RCW
36 28B.10.016, in accordance with the interlocal cooperation act, chapter
37 39.34 RCW.

1 (4) The board and qualified training institutions may solicit and
2 receive gifts, grants, funds, fees, and endowments, in trust or
3 otherwise, from tribal, local, federal, or other governmental entities,
4 as well as private sources, for the purpose of providing training
5 allowances under chapter 112, Laws of 2006. All revenue thus solicited
6 and received shall be deposited into the employment training finance
7 account created in RCW 28B.67.030.

8 (5) Qualified training institutions must make good faith efforts to
9 develop training programs using trainers preferred by participants.

10 (6) The board may adopt rules to implement this section.

11 NEW SECTION. **Sec. 2.** A new section is added to chapter 28B.67 RCW
12 to read as follows:

13 During calendar years 2009 and 2010, employers who have qualified
14 for training under the job skills program created under chapter 28C.04
15 RCW, but are not able to participate in the job skills program because
16 the funds have all been committed, may become a participant, be
17 provided a training allowance, and be eligible for the credit allowed
18 participants under RCW 82.04.449, subject to the payment provisions of
19 RCW 28B.67.020. The maximum available during calendar year 2009 from
20 the employment training finance account for the purposes of this
21 section is two million dollars. The maximum available during calendar
22 year 2010 from the employment training finance account for the purposes
23 of this section is one million five hundred thousand dollars.

24 **Sec. 3.** RCW 28B.67.030 and 2006 c 112 s 8 are each amended to read
25 as follows:

26 (1) All payments received from a participant in the Washington
27 customized employment training program created in RCW 28B.67.020 shall
28 be deposited into the employment training finance account, which is
29 hereby created in the custody of the state treasurer. Only the state
30 board for community and technical colleges may authorize expenditures
31 from the account and no appropriation is required for expenditures.
32 The money in the account must be used solely for training allowances
33 under the Washington customized employment training program created in
34 RCW 28B.67.020 and for providing up to seventy-five thousand dollars
35 per year for training, marketing, and facilitation services to increase

1 the use of the program. The deposit of payments under this section
2 from a participant shall cease when the board specifies that the
3 participant has met the monetary obligations of the program.

4 (2) All revenue solicited and received under the provisions of RCW
5 28B.67.020(4) shall be deposited into the employment training finance
6 account to provide training allowances.

7 (3) The definitions in RCW 28B.67.010 apply to this section.

8 **Sec. 4.** RCW 82.04.449 and 2006 c 112 s 5 are each amended to read
9 as follows:

10 In computing the tax imposed under this chapter, a credit is
11 allowed for participants in the Washington customized employment
12 training program created in RCW 28B.67.020. The credit allowed under
13 this section is equal to fifty percent of the value of a participant's
14 payments to the employment training finance account created in RCW
15 28B.67.030. If a participant in the program does not meet the
16 (~~qualifications in~~) requirements of RCW 28B.67.020(2)(b)(ii), the
17 participant must remit to the department the value of any credits taken
18 plus interest. The credit earned by a participant in one calendar year
19 may be carried over to be credited against taxes incurred in a
20 subsequent calendar year. No credit may be allowed for repayment of
21 training allowances received from the Washington customized employment
22 training program on or after July 1, 2016.

23 NEW SECTION. **Sec. 5.** This act is necessary for the immediate
24 preservation of the public peace, health, or safety, or support of the
25 state government and its existing public institutions, and takes effect
26 immediately.

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