
SENATE BILL 5773

State of Washington 61st Legislature 2009 Regular Session

By Senators Hobbs, McAuliffe, Kilmer, Kohl-Welles, and McDermott

Read first time 02/02/09. Referred to Committee on Higher Education & Workforce Development.

1 AN ACT Relating to establishing the opportunity internship program
2 for high school students; amending RCW 28B.92.030, 28B.92.060,
3 28B.92.080, and 28B.92.110; adding new sections to chapter 28C.18 RCW;
4 adding a new section to chapter 28B.92 RCW; adding a new section to
5 chapter 82.04 RCW; and creating new sections.

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

7 NEW SECTION. **Sec. 1.** (1) The legislature finds that moving low-
8 income high school students efficiently through a progression of career
9 exploration, internships in high-demand occupations, and completion of
10 postsecondary education benefits these students by increasing the
11 relevance of their high school education, increasing their connection
12 to the working world, accelerating their entry into a high-demand
13 occupation, and increasing their earnings.

14 (2) The legislature further finds that in a difficult economy,
15 youth unemployment rates increase sharply. Providing paid internships
16 to high school students creates not only an immediate short-term
17 economic stimulus in local communities, but also creates the potential
18 to sustain that economic recovery by making students better prepared

1 for postsecondary education and employment in the types of occupations
2 that will generate economic growth over the long term.

3 (3) The legislature further finds that moving students efficiently
4 through secondary and postsecondary education reduces state
5 expenditures by improving on-time graduation and postsecondary
6 retention and increases state revenues by providing for graduates with
7 higher lifelong earnings and taxpaying potential.

8 (4) Employers and local economies benefit from the development of
9 a long-term relationship with potential employees and a more consistent
10 pipeline of skilled workers into the occupations for which they are
11 having the most trouble finding skilled workers.

12 (5) Therefore the legislature intends to provide incentives for
13 local consortia of employers, labor organizations, educational
14 institutions, and workforce and economic development councils to use
15 existing funds to build educational and employment pipelines to high-
16 demand occupations for low-income high school students.

17 NEW SECTION. **Sec. 2.** A new section is added to chapter 28C.18 RCW
18 to read as follows:

19 (1) The opportunity internship program is created under sections 2
20 through 6 of this act. The purpose of the program is to provide
21 incentives for opportunity internship consortia to use existing
22 resources to build educational and employment pipelines to high-demand
23 occupations in targeted industries for low-income high school students.
24 Four types of incentives are provided through the program:

25 (a) Each opportunity internship graduate shall be eligible for up
26 to one year of financial assistance for postsecondary education in the
27 high employer demand program of study of the graduate as provided in
28 sections 5 and 9 of this act;

29 (b) Each opportunity internship graduate who completes
30 postsecondary education in the high employer demand program of study of
31 the graduate shall receive a job interview with an employer
32 participating in an opportunity internship consortium that has agreed
33 to provide such interviews;

34 (c) Each employer participating in an opportunity internship
35 consortium that offers a paid internship to a low-income high school
36 student through the opportunity internship program may receive a credit

1 for the amount of salary and wages paid for the internship against
2 business and occupation taxes owed as provided under section 12 of this
3 act; and

4 (d) For each opportunity internship graduate who completes
5 postsecondary education in the high employer demand program of study of
6 the graduate, obtains employment in a high-demand occupation, and
7 remains employed for at least six months, the participating opportunity
8 internship consortium shall be eligible to receive an incentive payment
9 as provided in section 6 of this act.

10 (2) The opportunity internship program shall be administered by the
11 board and the board may adopt rules to implement the program.

12 NEW SECTION. **Sec. 3.** A new section is added to chapter 28C.18 RCW
13 to read as follows:

14 Unless the context clearly requires otherwise, the definitions in
15 this section apply throughout sections 2 through 6 of this act.

16 (1) "High-demand occupation" means an occupation with a substantial
17 number of current or projected employment opportunities and pays a
18 starting salary or wages of not less than thirty thousand dollars per
19 year.

20 (2) "High employer demand program of study" means an undergraduate
21 or graduate certificate, apprenticeship, or degree program in which the
22 number of students prepared for employment per year from in-state
23 institutions or programs is substantially less than the number of
24 projected job openings per year in that field, either statewide or in
25 a substate region.

26 (3) "Low-income high school student" means a student who is
27 enrolled in grades ten, eleven, or twelve in a public high school and
28 who qualifies for federal free or reduced-price meals. If a student
29 qualifies at the time the student begins participating in the
30 opportunity internship program, the student remains eligible even if
31 the student does not receive free or reduced-price meals thereafter.
32 To participate in the program, the student must remain enrolled in high
33 school until the student receives a high school diploma.

34 (4) "Opportunity internship consortium" means a local consortium
35 formed for the purpose of participating in the opportunity internship
36 program and which may be composed of a local workforce development
37 council, economic development council, area high schools, community or

1 technical colleges, apprenticeship councils, private vocational schools
2 licensed under chapter 28C.10 RCW, public and private four-year
3 institutions of higher education, employers in targeted industries, and
4 labor organizations.

5 (5) "Opportunity internship graduate" means a low-income high
6 school student who successfully completes an opportunity internship
7 program and graduates from high school.

8 (6) "Targeted industry" means a business or industry identified by
9 a local workforce development council as having high-demand occupations
10 that require candidates to have completed a high employer demand
11 program of study.

12 NEW SECTION. **Sec. 4.** A new section is added to chapter 28C.18 RCW
13 to read as follows:

14 (1) Opportunity internship consortia may apply to the board to
15 offer an opportunity internship program.

16 (a) The board may select those consortia that demonstrate the
17 strongest commitment and readiness to implement a high quality
18 opportunity internship program for low-income high school students.
19 The board shall place a priority on consortia with demonstrated
20 experience working with similar populations of students and
21 demonstrated capacity to assist a large number of students through the
22 progression of internship, high school graduation, postsecondary
23 education, and retention in a high-demand occupation. The board shall
24 place a priority on programs that emphasize secondary career and
25 technical education and nonbaccalaureate postsecondary education;
26 however, programs that target four-year postsecondary degrees are
27 eligible to participate.

28 (b) The board shall enter into a contract with each consortium
29 selected to participate in the program. No more than ten consortia per
30 year shall be selected to participate in the program, and to the extent
31 possible, the board shall assure a geographic distribution of consortia
32 in regions across the state emphasizing a variety of targeted
33 industries. Each consortium may select no more than one hundred low-
34 income high school students per year to participate in the program.

35 (2) Under the terms of an opportunity internship program contract,
36 an opportunity internship consortium shall commit to the following

1 activities which shall be conducted using existing federal, state,
2 local, or private funds available to the consortium:

3 (a) Identify high-demand occupations in targeted industries for
4 which opportunity internships shall be developed and provided;

5 (b) Develop and implement the components of opportunity
6 internships, including paid internships in high-demand occupations with
7 employers in the consortium, mentoring and guidance for students who
8 participate in the program, and a guarantee of a job interview with a
9 participating employer for all opportunity internship graduates who
10 successfully complete postsecondary education in the high employer
11 demand program of study;

12 (c) Once the internship components have been developed, conduct
13 outreach efforts to inform low-income high school students about high-
14 demand occupations, the opportunity internship program, options for
15 postsecondary education in high employer demand programs of study, and
16 the incentives and opportunities provided to students who participate
17 in the program;

18 (d) Obtain appropriate documentation of the low-income status of
19 students who participate in the program;

20 (e) Maintain communication with opportunity internship graduates of
21 the consortium who enroll in postsecondary education in high employer
22 demand programs of study; and

23 (f) Submit an annual report to the board on the progress of and
24 participation in the opportunity internship program of the consortium.

25 (3) Opportunity internship consortia are encouraged to:

26 (a) Provide opportunity internships during the summer months to
27 encourage students to stay enrolled in high school;

28 (b) Designate the local workforce development council as fiscal
29 agent for the opportunity internship program contract;

30 (c) Work with area high schools to incorporate the opportunity
31 internship program into comprehensive guidance and counseling programs
32 such as the navigation 101 program; and

33 (d) Coordinate the opportunity internship program with other
34 workforce development and postsecondary education programs, including
35 opportunity grants, the college bound scholarship program, federal
36 workforce investment act initiatives, and college access challenge
37 grants.

1 NEW SECTION. **Sec. 5.** A new section is added to chapter 28C.18 RCW
2 to read as follows:

3 (1) On an annual basis, each opportunity internship consortium
4 shall provide the board with a list of the opportunity internship
5 graduates from the consortium. The list shall indicate the high
6 employer demand program of study for each graduate.

7 (2) The board shall compile the lists from all consortia and shall
8 notify the higher education coordinating board of the eligibility of
9 each graduate on the lists to receive a state need grant under chapter
10 28B.92 RCW if the graduate enrolls in the high employer demand program
11 of study of the graduate within one year of high school graduation.

12 NEW SECTION. **Sec. 6.** A new section is added to chapter 28C.18 RCW
13 to read as follows:

14 (1) On an annual basis, each opportunity internship consortium
15 shall provide the board with a list of the opportunity internship
16 graduates from the consortium who have completed postsecondary
17 education in the high employer demand program of study of the graduate,
18 obtained employment in a high-demand occupation, and remained employed
19 for at least six months.

20 (2) The board shall verify the information on the lists from each
21 consortium. Subject to funds appropriated for this purpose, the board
22 shall allocate to each consortium an incentive payment of two thousand
23 dollars for each graduate on the consortium's list. In the event that
24 insufficient funds are appropriated to provide a full payment, the
25 board shall prorate payments across all consortia and shall notify the
26 governor and the legislature of the amount of the shortfall.

27 (3) Opportunity internship consortia shall use the incentive
28 payments to continue operating opportunity internship programs.

29 **Sec. 7.** RCW 28B.92.030 and 2004 c 275 s 35 are each amended to
30 read as follows:

31 As used in this chapter:

32 (1) "Institution or institutions of higher education" means:

33 (a) Any public university, college, community college, or technical
34 college operated by the state of Washington or any political
35 subdivision thereof; or

1 (b) Any other university, college, school, or institute in the
2 state of Washington offering instruction beyond the high school level
3 which is a member institution of an accrediting association recognized
4 by rule of the board for the purposes of this section: PROVIDED, That
5 any institution, branch, extension or facility operating within the
6 state of Washington which is affiliated with an institution operating
7 in another state must be a separately accredited member institution of
8 any such accrediting association, or a branch of a member institution
9 of an accrediting association recognized by rule of the board for
10 purposes of this section, that is eligible for federal student
11 financial aid assistance and has operated as a nonprofit college or
12 university delivering on-site classroom instruction for a minimum of
13 twenty consecutive years within the state of Washington, and has an
14 annual enrollment of at least seven hundred full-time equivalent
15 students: PROVIDED FURTHER, That no institution of higher education
16 shall be eligible to participate in a student financial aid program
17 unless it agrees to and complies with program rules and regulations
18 adopted pursuant to RCW 28B.92.150.

19 (2) "Financial aid" means loans and/or grants to needy students
20 enrolled or accepted for enrollment as a student at institutions of
21 higher education.

22 (3) "Needy student" means a post high school student of an
23 institution of higher education who demonstrates to the board the
24 financial inability, either through the student's parents, family
25 and/or personally, to meet the total cost of board, room, books, and
26 tuition and incidental fees for any semester or quarter. "Needy
27 student" also means an opportunity internship graduate as defined by
28 section 3 of this act who enrolls in the high employer demand program
29 of study of the graduate as determined under section 5 of this act
30 within one year of high school graduation.

31 (4) "Disadvantaged student" means a post high school student who by
32 reason of adverse cultural, educational, environmental, experiential,
33 familial or other circumstances is unable to qualify for enrollment as
34 a full time student in an institution of higher education, who would
35 otherwise qualify as a needy student, and who is attending an
36 institution of higher education under an established program designed
37 to qualify the student for enrollment as a full time student.

38 (5) "Board" means the higher education coordinating board.

1 **Sec. 8.** RCW 28B.92.060 and 2007 c 404 s 2 are each amended to read
2 as follows:

3 In awarding need grants, the board shall proceed substantially as
4 follows: PROVIDED, That nothing contained herein shall be construed to
5 prevent the board, in the exercise of its sound discretion, from
6 following another procedure when the best interest of the program so
7 dictates:

8 (1) The board shall annually select the financial aid award
9 recipients from among Washington residents applying for student
10 financial aid who have been ranked according to:

11 (a) Financial need as determined by the amount of the family
12 contribution; and

13 (b) Other considerations, such as whether the student is a former
14 foster youth or an opportunity internship graduate.

15 (2) The financial need of the highest ranked students shall be met
16 by grants depending upon the evaluation of financial need until the
17 total allocation has been disbursed. Funds from grants which are
18 declined, forfeited or otherwise unused shall be reawarded until
19 disbursed, except that eligible former foster youth and opportunity
20 internship graduates shall be assured receipt of a grant.

21 (3) A student shall be eligible to receive a state need grant for
22 up to five years, or the credit or clock hour equivalent of five years,
23 or up to one hundred twenty-five percent of the published length of
24 time of the student's program. A student may not start a new associate
25 degree program as a state need grant recipient until at least five
26 years have elapsed since earning an associate degree as a need grant
27 recipient, except that a student may earn two associate degrees
28 concurrently. Qualifications for renewal will include maintaining
29 satisfactory academic progress toward completion of an eligible program
30 as determined by the board. Should the recipient terminate his or her
31 enrollment for any reason during the academic year, the unused portion
32 of the grant shall be returned to the state educational grant fund by
33 the institution according to the institution's own policy for issuing
34 refunds, except as provided in RCW 28B.92.070.

35 (4) In computing financial need, the board shall determine a
36 maximum student expense budget allowance, not to exceed an amount equal
37 to the total maximum student expense budget at the public institutions
38 plus the current average state appropriation per student for operating

1 expense in the public institutions. Any child support payments
2 received by students who are parents attending less than half-time
3 shall not be used in computing financial need.

4 (5)(a) A student who is enrolled in three to six credit-bearing
5 quarter credits, or the equivalent semester credits, may receive a
6 grant for up to one academic year before beginning a program that leads
7 to a degree or certificate.

8 (b) An eligible student enrolled on a less-than-full-time basis
9 shall receive a prorated portion of his or her state need grant for any
10 academic period in which he or she is enrolled on a less-than-full-time
11 basis, as long as funds are available.

12 (c) An institution of higher education may award a state need grant
13 to an eligible student enrolled in three to six credit-bearing quarter
14 credits, or the semester equivalent, on a provisional basis if:

15 (i) The student has not previously received a state need grant from
16 that institution;

17 (ii) The student completes the required free application for
18 federal student aid;

19 (iii) The institution has reviewed the student's financial
20 condition, and the financial condition of the student's family if the
21 student is a dependent student, and has determined that the student is
22 likely eligible for a state need grant; and

23 (iv) The student has signed a document attesting to the fact that
24 the financial information provided on the free application for federal
25 student aid and any additional financial information provided directly
26 to the institution is accurate and complete, and that the student
27 agrees to repay the institution for the grant amount if the student
28 submitted false or incomplete information.

29 (6) As used in this section, "former foster youth" means a person
30 who is at least eighteen years of age, but not more than twenty-four
31 years of age, who was a dependent of the department of social and
32 health services at the time he or she attained the age of eighteen.

33 NEW SECTION. **Sec. 9.** A new section is added to chapter 28B.92 RCW
34 to read as follows:

35 (1) The board shall work with institutions of higher education to
36 assure that the institutions are aware of the eligibility of
37 opportunity internship graduates for an award under this chapter.

1 (2) If an opportunity internship graduate enrolls, within one year
2 of high school graduation, in the high employer demand program of study
3 of the graduate and in an institution of higher education or an
4 apprenticeship program with related and supplemental instruction
5 provided through an institution of higher education, the graduate is
6 eligible to receive a state need grant for up to one year. The
7 graduate shall not be required to be enrolled on at least a half-time
8 basis. The related and supplemental instruction provided to a graduate
9 through an apprenticeship program shall not be required to lead to a
10 degree or certificate.

11 (3) Except for the eligibility criteria for an opportunity
12 internship graduate that are provided under this section, other rules
13 pertaining to award of a state need grant apply.

14 (4) Nothing in this section precludes an opportunity internship
15 graduate from being eligible to receive additional state need grants
16 after the one-year grant provided in this section if the graduate meets
17 other criteria as a needy or disadvantaged student.

18 **Sec. 10.** RCW 28B.92.080 and 2007 c 404 s 1 are each amended to
19 read as follows:

20 Except for opportunity internship graduates whose eligibility is
21 provided under section 9 of this act, for a student to be eligible for
22 a state need grant a student must:

23 (1) Be a "needy student" or "disadvantaged student" as determined
24 by the board in accordance with RCW 28B.92.030 (3) and (4)~~((-))~~i

25 (2) Have been domiciled within the state of Washington for at least
26 one year~~((-))~~i

27 (3) Be enrolled or accepted for enrollment on at least a half-time
28 basis at an institution of higher education in Washington as defined in
29 RCW 28B.92.030(1)~~((-))~~i

30 (4) Until June 30, 2011, to the extent funds are specifically
31 appropriated for this purpose, and subject to any terms and conditions
32 specified in the omnibus appropriations act, be enrolled or accepted
33 for enrollment for at least three quarter credits or the equivalent
34 semester credits at an institution of higher education in Washington as
35 defined in RCW 28B.92.030(1)~~((-))~~i and

36 (5) Have complied with all the rules ~~((and regulations))~~ adopted by
37 the board for the administration of this chapter.

1 **Sec. 11.** RCW 28B.92.110 and 2004 c 275 s 40 are each amended to
2 read as follows:

3 A state financial aid recipient under this chapter shall apply the
4 award toward the cost of tuition, room, board, books, and fees at the
5 institution of higher education attended. An opportunity internship
6 graduate who enters an apprenticeship program may use the award for the
7 costs of related and supplemental instruction provided through an
8 institution of higher education, tools, and other costs associated with
9 the apprenticeship program.

10 NEW SECTION. **Sec. 12.** A new section is added to chapter 82.04 RCW
11 to read as follows:

12 (1) Subject to the provisions of this section, a credit is
13 authorized against the tax otherwise due under this chapter for persons
14 participating in an opportunity internship consortium that offer paid
15 internships to low-income high school students through an opportunity
16 internship program.

17 (2) The amount of the credit is the amount paid during the
18 reporting period as salary and wages to low-income high school students
19 for the opportunity internships, multiplied by 1.5 percent.

20 (3) A credit earned during one reporting period may be carried over
21 to subsequent reporting periods. Credits carried over must be applied
22 to tax liability before new credits. No refunds may be granted for
23 credits under this section.

24 (4) For the purposes of this section, "low-income high school
25 student" and "opportunity internship consortium" are as defined under
26 section 3 of this act and "opportunity internship program" shall be a
27 program established under sections 2 through 6 of this act.

28 NEW SECTION. **Sec. 13.** (1) The workforce training and education
29 coordinating board shall conduct an outcome evaluation of opportunity
30 internship programs. At a minimum, the analysis shall examine the
31 financial benefits of on-time graduation, youth employment while in
32 high school, postsecondary education enrollment and completion, and
33 adult employment in high-demand occupations compared to the local and
34 state costs of the programs.

35 (2) The board shall submit a preliminary analysis to the governor

1 and the education and higher education committees of the legislature by
2 December 1, 2012, and a final analysis by December 1, 2014.

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