
Labor & Workforce Development Committee

HB 1608

Brief Description: Modifying the opportunity internship program.

Sponsors: Representatives Billig, Probst, Haigh, Santos, Seaquist, Anderson, Haler, Maxwell, Dammeier, Sells, Carlyle, Sullivan, Ladenburg, Dahlquist, Frockt, Fitzgibbon, Ryu, Orwall, Moscoso, Stanford, Jinkins, Ormsby, Jacks, McCoy, Appleton, Kelley, Van De Wege, Clibborn, Kenney, Roberts, Upthegrove, Goodman, Hasegawa and Tharinger.

Brief Summary of Bill

- Makes students who qualify for a State Need Grant or the WIA Title I-B Youth Program eligible for the Washington Opportunity Internship Program.
- Allows students who complete a GED to remain eligible for the Program.
- Requires the Workforce Board to report whether performance of Program warrants expanding participation to include students from middle-income families.

Hearing Date: 2/4/11

Staff: Parker Howell (786-5793) and Jill Reinmuth (786-7134).

Background:

Opportunity Internship Program.

Created in 2009, the Opportunity Internship Program (Program) provides incentives for consortia of businesses to use existing resources to train low-income high-school students for high-demand occupations in targeted industries. Consortia currently operate through eight workforce development councils statewide and may consist of organizations including: high schools, community or technical colleges, employers, labor groups, apprenticeship councils, and pre-apprenticeship programs such as Running Start for the Trades.

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.

To be eligible for the Program, students must be enrolled in grades 10, 11, or 12 at public high schools and qualify for federal free- or reduced-price meals. Students qualify for free meals when their families have incomes of 130 percent or less of the poverty level. Students whose families earn between 130 and 185 percent of the poverty level are eligible for reduced-price meals. Students may remain eligible for the Program even if they later no longer receive free- or reduced-price meals, but students must remain enrolled in high school until they receive a diploma.

The Program offers two incentives for students: each graduate is eligible for as much as one year of financial assistance for post-secondary education through the State Need Grant, and each graduate who completes a post-secondary program receives a job interview with an employer participating in a consortium. A consortium may receive as much as \$2,000 per graduate who completes a post-secondary program of study, obtains a job in a high-demand occupation paying at least \$30,000 annually, and remains employed for at least six months.

The Workforce Training and Education Coordinating Board ("Workforce Board") administers the Program and must submit a report evaluating the financial benefits of the Program compared with its costs. The Workforce Board must submit a preliminary analysis to the Governor and the Legislature by December 1, 2012, and a final analysis by December 1, 2014.

Each consortium must provide the Workforce Board with a list of opportunity internship graduates from that consortium. The Workforce Board must compile lists of graduates and inform the Higher Education Coordinating Board ("Higher Education Board") that the graduates are eligible for State Need Grants.

State Need Grant.

The State Need Grant program provides financial aid to low-income undergraduate students attending public two- and four-year colleges and universities and certain accredited independent colleges, universities, and career schools in Washington. To be eligible, students must submit a Free Application for Federal Student Aid (FAFSA), have a family income of less than 70 percent of the state median, be Washington residents enrolled at eligible institutions, and meet other qualifications. The program may award a student as much as \$7,717 per year.

Title I-B Youth Program.

The federal Workforce Investment Act (WIA) of 1988 established a program to assist low-income youth facing barriers to employment. To be eligible for WIA Title I-B Youth Program services, a person must be 14 to 21 years old, a U.S. citizen, in compliance with the Selective Service Act, and meet other criteria, such as being a school dropout, pregnant, or homeless.

Summary of Bill:

Low-income high school students are eligible for the program when they are enrolled in grades 10, 11, or 12 at a public high school and qualify for a State Need Grant or to participate in the WIA Title I-B Youth Program, rather than when they qualify for free- or reduced-price meals. Students may remain in the Program even if they later no longer meet those qualifications.

To be eligible for incentives under the Program, students must remain in high school until they receive either a diploma or a general educational development (GED) certificate. Other

references to receipt of a high school diploma for purposes of the Program are changed to include the alternative of completion of a GED.

Consortia are encouraged to provide stipends or financial incentives for internship completion.

The definition of "preapprenticeship" is modified to include programs that would be beneficial for entering a state- or federally-approved apprenticeship.

The Higher Education Board must create certificates notifying internship graduates of their eligibility for need-based awards and the importance of early filing of the FAFSA to secure their eligibility for awards. The Higher Education Board must provide the certificates to internship consortia, which must commit through terms of Program contracts to award each graduate with a certificate.

The Workforce Board must include in its final analysis whether performance of the Program warrants expanding participation to include students from middle-income families who do not currently qualify.

Appropriation: None.

Fiscal Note: Requested on February 2, 2011.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.