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HOUSE BILL 2802

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State of Washington

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By Representatives Ladenburg, Reykdal, Roberts, Moscoso, Sells, Appleton, Fitzgibbon, Hunt, Darneille, Pollet, and Jinkins

Read first time 02/27/12. Referred to Committee on Ways & Means.

1 AN ACT Relating to creating the Washington works corps program;  
2 amending RCW 82.04.330; adding a new section to chapter 82.32 RCW;  
3 adding a new chapter to Title 50 RCW; adding a new chapter to Title 43  
4 RCW; and creating new sections.

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

6 NEW SECTION. **Sec. 1.** (1) The legislature finds that: (a)  
7 Washington state is experiencing a prolonged rate of high unemployment;  
8 (b) the long-term unemployed, veterans returning from Iraq and  
9 Afghanistan, and people with limited employment history are finding it  
10 particularly difficult to secure employment; (c) it is in the public  
11 interest to target employment projects to those activities that have  
12 the greatest benefit to the local economy; and (d) the talent and  
13 energy of Washington's unemployed adults are an untapped resource that  
14 should be challenged to meet the serious shortage in community services  
15 and promote and conserve the valuable resources of the state.

16 (2) The legislature intends to establish the Washington works corps  
17 program as an operating program of the employment security department  
18 to increase opportunities for meaningful work experience, authorize  
19 public-private partnerships, meet community and environmental needs,

1 and benefit local economies. Therefore, the legislature intends to  
2 provide unemployed individuals with the opportunity to perform needed  
3 services in communities throughout Washington.

4 NEW SECTION. **Sec. 2.** Unless the context clearly requires  
5 otherwise, the definitions in this section apply throughout this  
6 chapter.

7 (1) "Agency administrative costs" means indirect expenses such as  
8 personnel, payroll, contract administration, fiscal services, and other  
9 overhead costs.

10 (2) "Commissioner" means the commissioner of the employment  
11 security department.

12 (3) "Corps" means the Washington works corps program.

13 (4) "Department" means the employment security department.

14 (5) "Enrollees" means those persons who have completed enrollment  
15 forms, completed work agreements, and who have entered into the  
16 Washington works corps program following the approval of the director  
17 of the supervising agency or the director's designee.

18 (6) "Financial support" means a financial or in-kind contribution  
19 that supports Washington works corps employment project, including but  
20 not limited to funding for enrollee stipends or benefits, equipment,  
21 facilities, and training.

22 (7) "Full-time term of service" means providing service on a full-  
23 time basis for a period of at least ten but no more than twelve months  
24 in duration.

25 (8) "Program support costs" include, but are not limited to,  
26 program planning, development of reports, job and career training,  
27 uniforms and equipment, and standard office space and utilities.  
28 Program support costs do not include direct scheduling and supervision  
29 of corps enrollees.

30 (9) "Supervising agencies" means those nonprofit organizations or  
31 public agencies that develop and implement full-time service projects  
32 in which enrollees agree to participate.

33 (10) "Work agreement" means the written agreement between the  
34 department, the enrollee, and the supervising agency under this chapter  
35 for a period of up to twelve months.

1        NEW SECTION.    **Sec. 3.**    The Washington works corps program is  
2 established within the department.    The department has the following  
3 powers and duties as necessary to administer the corps:

4        (1) Appointing a director and other personnel as necessary to carry  
5 out the purposes of this chapter;

6        (2) Recruiting enrollees;

7        (3) Recruiting supervising agencies to host the enrollees in full-  
8 time service activities;

9        (4) Matching enrollees with appropriate service projects;

10       (5) Establishing consistent work standards and placement and  
11 evaluation procedures of corps programs;

12       (6) Monitoring enrollee activities for compliance with this chapter  
13 and compliance with work agreements;

14       (7) Assisting enrollees in transition to employment upon  
15 termination from the programs, including such activities as orientation  
16 to the labor market, on-the-job training, and placement in the private  
17 sector;

18       (8) Executing subgrants or agreements with any other state  
19 agencies, local institutions, nonprofit organizations, or nonprofit  
20 service corps organizations in the administration of the corps;

21       (9) Selecting, reviewing, approving, and evaluating the success of  
22 corps projects;

23       (10) Determining appropriate financial support levels for corps  
24 projects;

25       (11) Assisting supervising agencies in obtaining financial support  
26 funds from private and public agencies, individuals, and foundations in  
27 order to support a portion of the projects cost; and

28       (12) Seeking, applying for, and accepting grants, funds, or  
29 donations from the federal government, other public sources, or private  
30 sources for Washington works corps projects.

31       NEW SECTION.    **Sec. 4.**    The corps shall be organized and managed to  
32 benefit the community or state at-large and may include but is not  
33 limited to programs, projects, or activities that:

34       (1) Protect and enhance Washington's natural resources, and  
35 participate in the recovery of the ecosystem;

36       (2) Address the educational and education-related needs of

1 children, youth, families, and young adults within public educational  
2 institutions or related programs;

3 (3) Address unmet needs related to opportunities for economically  
4 disadvantaged individuals within communities including financial  
5 literacy, housing assistance, job training, and nutritional assistance;

6 (4) Seek to enhance, improve, or restore the environment or  
7 increase energy efficiency in communities;

8 (5) Address unmet health needs within communities including access  
9 to health care, disease prevention, and health promotion initiatives;

10 (6) Address unmet needs of veterans, members of the armed forces on  
11 active duty, and family members of deployed military personnel; and

12 (7) Provide child care for other enrollees at licensed or certified  
13 child care or early learning facilities.

14 NEW SECTION. **Sec. 5.** (1) No more than fifteen percent of the  
15 funds available for the Washington works corps program may be expended  
16 for administrative costs.

17 (2) The combined administrative costs and program support costs may  
18 not exceed thirty percent of the total funds available for the  
19 Washington works corps.

20 NEW SECTION. **Sec. 6.** The commissioner may select and enroll in  
21 the corps any person who is at least eighteen years of age, a resident  
22 of the state or a military spouse, and unemployed. Enrollees must be  
23 selected from among qualified individuals submitting applications for  
24 full-time service at such time, in such form, and containing such  
25 information as may be necessary to evaluate the suitability of each  
26 individual for service, and available placements. Efforts must be made  
27 to enroll individuals who are long-term unemployed, a veteran of Iraq  
28 or Afghanistan, or economically, socially, physically, or educationally  
29 disadvantaged. Enrollees may participate in a period of service of a  
30 maximum of twelve months, and may reapply for not more than one  
31 additional twelve-month period. The commissioner may prescribe such  
32 additional standards and procedures in consultation with supervising  
33 agencies as may be necessary in conformance with this chapter.

34 NEW SECTION. **Sec. 7.** Washington works corps enrollees shall  
35 receive a stipend for their services of one thousand six hundred

1 eighty-eight dollars per month. The stipend is a training and  
2 subsistence allowance. The stipend amount may be increased in the  
3 operating budget.

4 NEW SECTION. **Sec. 8.** (1) Washington works corps enrollees who  
5 successfully complete a full-time term of service are eligible for an  
6 educational award equivalent to the maximum value of the Pell grant for  
7 the award year in which the term of service is funded. Enrollees who  
8 successfully complete a second term of service are eligible for a  
9 second educational award. Enrollees who successfully complete shorter  
10 terms of service may receive a partial education award at a level  
11 determined by the department.

12 (2) The education award in this section may be used to pay  
13 education costs at institutions of higher education, to pay for  
14 educational training, and to repay qualified student loans. Allowable  
15 uses and limitations on the educational award must be consistent with  
16 the AmeriCorps program's educational award. The department shall  
17 determine by rule the process and requirements for providing an  
18 educational award.

19 NEW SECTION. **Sec. 9.** The assignment of enrollees shall not result  
20 in the displacement of currently employed workers, including partial  
21 displacement such as reduction in hours of nonovertime work, wages, or  
22 other employment benefits. Supervising agencies that participate in  
23 the program may not terminate, lay-off, or reduce the working hours of  
24 any employee for the purpose of using an enrollee with funds available.

25 NEW SECTION. **Sec. 10.** (1) The compensation received by enrollees  
26 is considered a training and subsistence allowance. Medical insurance  
27 and premiums under Title 51 RCW must be paid for the enrollees in the  
28 corps by the commissioner in accordance with the standards and  
29 limitations of the appropriation provided for this chapter. The  
30 department must give notice of coverage to the director of labor and  
31 industries after enrollment. The department shall not be deemed an  
32 employer of an enrollee for any other purpose.

33 (2) Enrollees are not considered employees for any other purpose  
34 under state law, including but not limited to Titles 41, 49, and 50  
35 RCW.

1        NEW SECTION.    **Sec. 11.**    The services provided by enrollees under  
2 the Washington works corps program are not covered for purposes of  
3 unemployment compensation coverage under RCW 50.44.040(4) and the  
4 enrollees must be so advised by the department.

5        NEW SECTION.    **Sec. 12.**    (1) Placements in the corps must be made in  
6 supervising agencies under work agreements as provided under this  
7 chapter and must include those assignments that provide for addressing  
8 community needs and conservation problems. Each work agreement must:

9            (a) Demonstrate that the service project is appropriate for the  
10 enrollee's interests, skills, and abilities and that the project is  
11 designed to meet unmet community needs;

12            (b) Require regular performance evaluation, including clear work  
13 performance standards set by the supervising agency and procedures for  
14 identifying strengths, recommended improvement areas, and conditions  
15 for probation or dismissal of the enrollee;

16            (c) Provide time for participation in a core training program  
17 common to all participants or optional additional training; and

18            (d) Include a commitment for partial financial support for the  
19 enrollee from private industry, public agencies, community groups, or  
20 foundations. The commissioner may establish additional standards for  
21 the development of placements for enrollees with supervising agencies  
22 and assure that the work agreements comply with those standards.

23        (2) This section does not apply to conservation corps programs  
24 established by chapter 43.220 RCW.

25        NEW SECTION.    **Sec. 13.**    All parties entering into work agreements  
26 under this chapter must agree that they will not discriminate in the  
27 providing of any service on the basis of age, sex, marital status,  
28 sexual orientation, race, creed, color, national origin, honorably  
29 discharged veteran or military status, or the presence of any sensory,  
30 mental, or physical disability, or the use of a trained dog guide or  
31 service animal by a person with a disability, unless based upon a bona  
32 fide occupational qualification.

33        NEW SECTION.        **Sec. 14.**        A nonprofit organization, local  
34 institution, state agency, or nonprofit service corps organization that  
35 contracts with the department to provide a specific service,

1 appropriate for the administration of this chapter, that the department  
2 cannot otherwise provide, may be reimbursed at the discretion of the  
3 department for the reasonable costs the department would absorb for  
4 providing those services.

5 NEW SECTION. **Sec. 15.** The department shall adopt rules to  
6 implement this chapter.

7 NEW SECTION. **Sec. 16.** A new section is added to chapter 82.32 RCW  
8 to read as follows:

9 By May 1, 2013, and by May 1st of every year thereafter, the  
10 department must annually estimate the increase in state revenue for the  
11 prior calendar year resulting from the narrowing of the exemption in  
12 RCW 82.04.330 by section 23, chapter . . ., Laws of 2012 (section 23 of  
13 this act) and certify the estimated amount to the state treasurer. By  
14 July 1, 2013, and by July 1st of every year thereafter, the state  
15 treasurer must transfer the amount into the Washington works corps  
16 account created in section 18 of this act.

17 NEW SECTION. **Sec. 17.** For the purpose of providing funds to  
18 finance the program described and authorized in chapter 50.-- RCW (the  
19 chapter created in section 24 of this act), and all costs incidental  
20 thereto, the state finance committee is authorized to issue general  
21 obligation bonds of the state of Washington in the sum of two hundred  
22 forty million dollars, or as much thereof as may be required, to  
23 finance this program and all costs incidental thereto. Bonds  
24 authorized in this section may be sold at such price as the state  
25 finance committee shall determine. No bonds authorized in this section  
26 may be offered for sale without prior legislative appropriation of the  
27 net proceeds of the sale of the bonds.

28 NEW SECTION. **Sec. 18.** The proceeds from the sale of the bonds  
29 authorized in section 17 of this act and revenue transfers under  
30 section 16 of this act must be deposited in the Washington works corps  
31 account hereby created in the state treasury. These proceeds shall be  
32 used exclusively for the program described and authorized in chapter  
33 50.-- RCW (the new chapter created in section 24 of this act) and for  
34 the payment of expenses incurred in the issuance and sale of the bonds

1 issued for the purposes of this section, and shall be administered by  
2 the office of financial management subject to legislative  
3 appropriation.

4 NEW SECTION. **Sec. 19.** (1) The debt-limit Washington works corps  
5 bond retirement account, hereby created in the state treasury, shall be  
6 used for the payment of the principal of and interest on the bonds  
7 authorized in section 17 of this act.

8 (2) The state finance committee shall, on or before June 30th of  
9 each year, certify to the state treasurer the amount needed in the  
10 ensuing twelve months to meet the bond retirement and interest  
11 requirements on the bonds authorized in section 17 of this act.

12 (3) On each date on which any interest or principal and interest  
13 payment is due on bonds issued for the purpose of section 17 of this  
14 act, the state treasurer shall withdraw from the Washington works corps  
15 account created in section 18 of this act and deposit in the debt-limit  
16 Washington works corps retirement account an amount equal to the amount  
17 certified by the state finance committee to be due on the payment date.

18 NEW SECTION. **Sec. 20.** (1) Bonds issued under section 17 of this  
19 act shall state that they are a general obligation of the state of  
20 Washington, shall pledge the full faith and credit of the state to the  
21 payment of the principal thereof and the interest thereon, and shall  
22 contain an unconditional promise to pay the principal and interest as  
23 the same shall become due.

24 (2) The owner and holder of each of the bonds or the trustee for  
25 the owner and holder of any of the bonds may by mandamus or other  
26 appropriate proceeding require the transfer and payment of funds as  
27 directed in this section.

28 NEW SECTION. **Sec. 21.** The legislature may provide additional  
29 means for raising moneys for the payment of the principal of and  
30 interest on the bonds authorized in section 17 of this act, and section  
31 20 of this act shall not be deemed to provide an exclusive method for  
32 the payment.

33 NEW SECTION. **Sec. 22.** The bonds authorized in section 17 of this



1 act shall be a legal investment for all state funds or funds under  
2 state control and for all funds of any other public body.

3 **Sec. 23.** RCW 82.04.330 and 2001 c 118 s 3 are each amended to read  
4 as follows:

5 (1)(a) Except as provided in (b) of this subsection, this chapter  
6 ((shall)) does not apply to any farmer that sells any agricultural  
7 product at wholesale or to any farmer who grows, raises, or produces  
8 agricultural products owned by others, such as custom feed operations.  
9 ((This))

10 (b) The exemption ((shall)) under (a) of this subsection does not  
11 apply to any person selling ((such)) agricultural products at retail or  
12 to any person selling manufactured substances or articles. A farmer  
13 may not exempt more than two hundred thousand dollars under this  
14 section in any calendar year.

15 (2) This chapter shall also not apply to any persons who  
16 participate in the federal conservation reserve program or its  
17 successor administered by the United States department of agriculture  
18 with respect to land enrolled in that program.

19 NEW SECTION. Sec. 24. Sections 1 through 15 of this act  
20 constitute a new chapter in Title 50 RCW.

21 NEW SECTION. Sec. 25. Sections 17 through 22 of this act  
22 constitute a new chapter in Title 43 RCW.

23 NEW SECTION. Sec. 26. If any part of this act is found to be in  
24 conflict with federal requirements that are a prescribed condition to  
25 the allocation of federal funds to the state, the conflicting part of  
26 this act is inoperative solely to the extent of the conflict and with  
27 respect to the agencies directly affected, and this finding does not  
28 affect the operation of the remainder of this act in its application to  
29 the agencies concerned. Rules adopted under this act must meet federal  
30 requirements that are a necessary condition to the receipt of federal  
31 funds by the state.

32 NEW SECTION. Sec. 27. If any part of this act is found to be in  
33 conflict with federal requirements that are a prescribed condition to

1 the allocation of federal funds to the state or the eligibility of  
2 employers in this state for federal unemployment tax credits, the  
3 conflicting part of this act is inoperative solely to the extent of the  
4 conflict, and the finding or determination does not affect the  
5 operation of the remainder of this act. Rules adopted under this act  
6 must meet federal requirements that are a necessary condition to the  
7 receipt of federal funds by the state or the granting of federal  
8 unemployment tax credits to employers in this state.

9 NEW SECTION. **Sec. 28.** If any provision of this act or its  
10 application to any person or circumstance is held invalid, the  
11 remainder of the act or the application of the provision to other  
12 persons or circumstances is not affected.

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