

SENATE BILL REPORT

ESHB 1247

As of March 26, 2013

Title: An act relating to the job skills program.

Brief Description: Modifying job skills program provisions.

Sponsors: House Committee on Labor & Workforce Development (originally sponsored by Representatives Hansen, Warnick, Smith, Zeiger, Fey, Springer, Tharinger and Santos).

Brief History: Passed House: 3/09/13, 98-0.

Committee Activity: Higher Education: 3/26/13.

SENATE COMMITTEE ON HIGHER EDUCATION

Staff: Katherine Taylor (786-7434)

Background: The Job Skills Program (JSP), created in 1983, provides short-term training customized to meet businesses' specific needs. JSP awards grants to licensed educational institutions that work in partnership with business and industry to deliver training to new or current employees at the worksite or in a classroom.

Financial support from business and industry must be equal to or greater than the amount of the grant, and may be in the form of cash or in-kind resources.

JSP is administered by the State Board of Community and Technical Colleges (SBCTC). SBCTC must work collaboratively with the Workforce Training Customer Advisory Committee to assure that the grant program meets certain statutorily established criteria. In addition, JSP must give priority to applications that: (1) propose training of transferable skills; (2) coordinate with other cluster-based programs; (3) propose industry-based credentialing; (4) propose increased capacity for educational institutions that can be available to industry and students beyond the grant recipients; and (5) are from firms in strategic industry clusters as identified by the state or local areas.

JSP was funded at \$2.725 million from the state general fund for fiscal year 2012-13, for a total of \$5.5 million. The budget proviso requires SBCTC to make an annual report to the Legislature regarding the implementation of JSP.

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.

Summary of Bill: Contributing financial support from businesses having an annual gross business income of less than \$500,000 must be at least equal to the trainees' salaries and benefits while in training rather than equal to or greater than the JSP grant. Annual gross income is based on the income reported to the Department of Revenue for the previous fiscal year.

Two criteria in the priority list are replaced. Priority will be given to applications proposing training that provides college credit or leads to a recognized industry credential – rather than training that leads to transferable skills, and to applications from a consortia of colleges or consortia of employers – rather than applications proposing industry-based credentialing. SBCTC must report to the Legislature annually starting on January 1, 2014.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: We support this bill. This would reduce financial requirements for small businesses and help them participate in the program. Economic development is an important focus for community colleges. Community colleges want to help and improve their communities. This program works. Companies are able to train employees through the program and thereby make more money and hire more employees.

Persons Testifying: PRO: Anna Nikolaeva, SBCTC; Mark Mitsui, North Seattle Community College; Keith Zeiler, Vaupell.