
SUBSTITUTE SENATE BILL 5560

State of Washington

63rd Legislature

2013 Regular Session

By Senate Higher Education (originally sponsored by Senators Bailey, Kohl-Welles, and Tom)

READ FIRST TIME 02/14/13.

1 AN ACT Relating to the job skills program; amending RCW 28C.04.420;
2 reenacting and amending RCW 28C.04.410 and 43.79A.040; and adding a new
3 section to chapter 28C.04 RCW.

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

5 **Sec. 1.** RCW 28C.04.420 and 2009 c 554 s 2 are each amended to read
6 as follows:

7 The college board (~~(may, subject to appropriation from the~~
8 ~~legislature or from funds made available from any other public or~~
9 ~~private source and)) shall, pursuant to rules adopted by the college
10 board, and with the advice of the workforce training customer advisory
11 committee established in RCW 28C.04.390, use funds from the job skills
12 program account and the job skills program trust account in section 2
13 of this act to provide job skills grants to educational institutions.
14 The job skills grants shall be used exclusively for programs which are
15 consistent with the job skills program. The college board shall work
16 in collaboration with the workforce training customer advisory
17 committee established in RCW 28C.04.390 to assure that:~~

18 (1) The program is within the scope of the job skills program under

1 this chapter and may reasonably be expected to succeed and thereby
2 increase employment within the state;

3 (2) Provision has been made to use any available alternative
4 funding from local, state, and federal sources;

5 (3) The job skills grant will only be used to cover the costs
6 associated with the program;

7 (4) The program will not unnecessarily duplicate existing programs
8 and could not be provided by another educational institution more
9 effectively or efficiently;

10 (5) The program involves an area of skills training and education
11 for which there is a demonstrable need;

12 (6) The applicant has made provisions for the use of existing
13 federal and state resources for student financial assistance;

14 (7) The job skills grant is essential to the success of the program
15 as the resources of the applicant are inadequate to attract the
16 technical assistance and financial support necessary for the program
17 from business and industry;

18 (8) The program represents a collaborative partnership between
19 business, industry, labor, educational institutions, and other
20 partners, as appropriate;

21 (9)(a) The commitment of financial support from businesses ((and
22 industry)) with an annual gross business income of five hundred
23 thousand dollars or more shall be equal to or greater than the amount
24 of the requested job skills grant;

25 (b) The commitment of financial support from businesses with an
26 annual gross business income of less than five hundred thousand dollars
27 shall be equal to the trainees' salaries and benefits while in
28 training;

29 (c) The annual gross business income shall be the income reported
30 to the department of revenue for the previous fiscal year;

31 (10) The job skills program gives priority to applications:

32 (a) ~~Proposing training that ((leads to transferable skills that are~~
33 ~~interchangeable among different jobs, employers, or workplaces))~~
34 provides college credit or leads to a recognized industry credential;

35 (b) From firms in strategic industry clusters as identified by the
36 state or local areas;

37 (c) Proposing coordination with other cluster-based programs or
38 initiatives including, but not limited to, industry skill panels,

1 centers of excellence, innovation partnership zones, state-supported
2 cluster growth grants, and local cluster-based economic development
3 initiatives;

4 (d) (~~Proposing industry-based credentialing~~) From consortia of
5 colleges;

6 (e) From consortia of firms; and

7 (~~(e)~~) (f) Proposing increased capacity for educational
8 institutions that can be made available to industry and students beyond
9 the grant recipients;

10 (11) Binding commitments have been made to the college board by the
11 applicant for adequate reporting of information and data regarding the
12 program to the college board, particularly information concerning the
13 recruitment and employment of trainees and students, and including a
14 requirement for an annual or other periodic audit of the books of the
15 applicant directly related to the program, and for such control on the
16 part of the college board as it considers prudent over the management
17 of the program, so as to protect the use of public funds, including, in
18 the discretion of the (~~commission~~) college board and without
19 limitation, right of access to financial and other records of the
20 applicant directly related to the programs; and

21 (12) A provision has been made by the applicant to work, in
22 cooperation with the employment security department, to identify and
23 screen potential trainees, and that provision has been made by the
24 applicant for the participation as trainees of low-income persons
25 including temporary assistance for needy families recipients,
26 dislocated workers, and persons from minority and economically
27 disadvantaged groups to participate in the program.

28 Beginning (~~October 1, 1999~~) January 1, 2014, and every (~~two~~)
29 year(~~s~~) thereafter, the college board shall provide the legislature
30 and the governor with a report describing the activities and outcomes
31 of the state job skills program.

32 NEW SECTION. Sec. 2. A new section is added to chapter 28C.04 RCW
33 to read as follows:

34 (1) The job skills program account is created in the state
35 treasury. All receipts from appropriations must be deposited into the
36 account. Moneys in the account may be spent only after appropriation.

1 Expenditures from the account may be used only for the job skills
2 program in this chapter and for college board administrative expenses
3 for the customized training program under RCW 28B.67.020.

4 (2) The job skills program trust account is created in the custody
5 of the state treasurer. All receipts from gifts, grants, or endowments
6 from public and private sources that are made from time to time, in
7 trust or otherwise, must be deposited into the account. Expenditures
8 from the account may be used only for the job skills program under this
9 chapter. Only the executive director of the college board or the
10 executive director's designee may authorize expenditures from the
11 account. The account is subject to allotment procedures under chapter
12 43.88 RCW, but an appropriation is not required for expenditures.

13 **Sec. 3.** RCW 28C.04.410 and 2009 c 554 s 1 are each reenacted and
14 amended to read as follows:

15 Unless the context clearly requires otherwise, the definitions in
16 this section apply throughout RCW 28C.04.390 (~~and~~), 28C.04.420, and
17 section 2 of this act.

18 (1) "Applicant" means an educational institution which has made
19 application for a job skills grant under RCW 28C.04.390 and 28C.04.420.

20 (2) "Business and industry" means a private corporation,
21 institution, firm, person, group, or association concerned with
22 commerce, trades, manufacturing, or the provision of services within
23 the state, or a public or nonprofit hospital licensed by the department
24 of social and health services.

25 (3) "College board" means the state board for community and
26 technical colleges under chapter 28B.50 RCW.

27 (4) "Dislocated worker" means an individual who meets the
28 definition of dislocated worker contained in P.L. 105-220, Sec. 101 on
29 July 25, 1999.

30 (5) "Educational institution" means a public secondary or
31 postsecondary institution, an independent institution, or a private
32 career school or college within the state authorized by law to provide
33 a program of skills training or education beyond the secondary school
34 level. Any educational institution receiving a job skills grant under
35 RCW 28C.04.420 shall be free of sectarian control or influence as set
36 forth in Article IX, section 4 of the state Constitution.

1 (6) "Equipment" means tangible personal property which will further
2 the objectives of the supported program and for which a definite value
3 and evidence in support of the value have been provided by the donor.

4 (7) "Financial support" means any thing of value which is
5 contributed by business, industry, and others to an educational
6 institution which is reasonably calculated to support directly the
7 development and expansion of a particular program under RCW 28C.04.390
8 and 28C.04.420 and represents an addition to any financial support
9 previously or customarily provided to such educational institutions by
10 the donor. "Financial support" includes, but is not limited to, funds,
11 equipment, facilities, faculty, and scholarships for matriculating
12 students and trainees.

13 (8) "Job skills grant" means funding that is provided to an
14 educational institution by the college board for the development or
15 significant expansion of a program under RCW 28C.04.390 and 28C.04.420.

16 (9) "Job skills program" means a program of skills training or
17 education separate from and in addition to existing vocational
18 education programs and which:

19 (a) Provides short-term training which has been designated for
20 specific industries;

21 (b) Provides training for prospective employees before a new plant
22 opens or when existing industry expands;

23 (c) Includes training and retraining for workers already employed
24 by an existing industry or business where necessary to avoid
25 dislocation or where upgrading of existing employees would create new
26 vacancies for unemployed persons;

27 (d) Serves areas with high concentrations of economically
28 disadvantaged persons and high unemployment;

29 (e) Promotes the growth of industry clusters;

30 (f) Serves areas where there is a shortage of skilled labor to meet
31 job demands; or

32 (g) Promotes the location of new industry in areas affected by
33 economic dislocation.

34 (10) "Technical assistance" means professional and any other
35 assistance provided by business and industry to an educational
36 institution, which is reasonably calculated to support directly the
37 development and expansion of a particular program and which represents

1 an addition to any technical assistance previously or customarily
2 provided to the educational institutions by the donor.

3 **Sec. 4.** RCW 43.79A.040 and 2012 c 198 s 8, 2012 c 196 s 6, 2012 c
4 187 s 13, and 2012 c 114 s 3 are each reenacted and amended to read as
5 follows:

6 (1) Money in the treasurer's trust fund may be deposited, invested,
7 and reinvested by the state treasurer in accordance with RCW 43.84.080
8 in the same manner and to the same extent as if the money were in the
9 state treasury, and may be commingled with moneys in the state treasury
10 for cash management and cash balance purposes.

11 (2) All income received from investment of the treasurer's trust
12 fund must be set aside in an account in the treasury trust fund to be
13 known as the investment income account.

14 (3) The investment income account may be utilized for the payment
15 of purchased banking services on behalf of treasurer's trust funds
16 including, but not limited to, depository, safekeeping, and
17 disbursement functions for the state treasurer or affected state
18 agencies. The investment income account is subject in all respects to
19 chapter 43.88 RCW, but no appropriation is required for payments to
20 financial institutions. Payments must occur prior to distribution of
21 earnings set forth in subsection (4) of this section.

22 (4)(a) Monthly, the state treasurer must distribute the earnings
23 credited to the investment income account to the state general fund
24 except under (b), (c), and (d) of this subsection.

25 (b) The following accounts and funds must receive their
26 proportionate share of earnings based upon each account's or fund's
27 average daily balance for the period: The Washington promise
28 scholarship account, the Washington advanced college tuition payment
29 program account, the accessible communities account, the community and
30 technical college innovation account, the agricultural local fund, the
31 American Indian scholarship endowment fund, the foster care scholarship
32 endowment fund, the foster care endowed scholarship trust fund, the
33 basic health plan self-insurance reserve account, the contract
34 harvesting revolving account, the Washington state combined fund drive
35 account, the commemorative works account, the county enhanced 911
36 excise tax account, the toll collection account, the developmental
37 disabilities endowment trust fund, the energy account, the fair fund,

1 the family leave insurance account, the food animal veterinarian
2 conditional scholarship account, the fruit and vegetable inspection
3 account, the future teachers conditional scholarship account, the game
4 farm alternative account, the GET ready for math and science
5 scholarship account, the Washington global health technologies and
6 product development account, the grain inspection revolving fund, the
7 industrial insurance rainy day fund, the job skills program trust
8 account, the juvenile accountability incentive account, the law
9 enforcement officers' and firefighters' plan 2 expense fund, the local
10 tourism promotion account, the multiagency permitting team account, the
11 pilotage account, the produce railcar pool account, the regional
12 transportation investment district account, the rural rehabilitation
13 account, the stadium and exhibition center account, the youth athletic
14 facility account, the self-insurance revolving fund, the children's
15 trust fund, the Washington horse racing commission Washington bred
16 owners' bonus fund and breeder awards account, the Washington horse
17 racing commission class C purse fund account, the individual
18 development account program account, the Washington horse racing
19 commission operating account (earnings from the Washington horse racing
20 commission operating account must be credited to the Washington horse
21 racing commission class C purse fund account), the life sciences
22 discovery fund, the Washington state heritage center account, ((and))
23 the reduced cigarette ignition propensity account, the center for
24 childhood deafness and hearing loss account, ((and)) the school for the
25 blind account, the Millersylvania park trust fund, the public
26 employees' and retirees' insurance reserve fund, and the radiation
27 perpetual maintenance fund.

28 (c) The following accounts and funds must receive eighty percent of
29 their proportionate share of earnings based upon each account's or
30 fund's average daily balance for the period: The advanced right-of-way
31 revolving fund, the advanced environmental mitigation revolving
32 account, the federal narcotics asset forfeitures account, the high
33 occupancy vehicle account, the local rail service assistance account,
34 and the miscellaneous transportation programs account.

35 (d) Any state agency that has independent authority over accounts
36 or funds not statutorily required to be held in the custody of the
37 state treasurer that deposits funds into a fund or account in the
38 custody of the state treasurer pursuant to an agreement with the office

1 of the state treasurer shall receive its proportionate share of
2 earnings based upon each account's or fund's average daily balance for
3 the period.

4 (5) In conformance with Article II, section 37 of the state
5 Constitution, no trust accounts or funds shall be allocated earnings
6 without the specific affirmative directive of this section.

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