

# SENATE BILL REPORT

## SHB 1130

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As of April 5, 2017

**Title:** An act relating to making the customized training program permanent.

**Brief Description:** Making the customized employment training program permanent.

**Sponsors:** House Committee on Higher Education (originally sponsored by Representatives Haler, Pollet and Ryu; by request of State Board for Community and Technical Colleges).

**Brief History:** Passed House: 2/15/17, 97-0.

**Committee Activity:** Higher Education: 3/14/17, 3/28/17 [DP-WM].

Ways & Means: 4/04/17.

### Brief Summary of Bill

- Removes the expiration date for the Washington Customized Employment Training Program.

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### SENATE COMMITTEE ON HIGHER EDUCATION

**Majority Report:** Do pass and be referred to Committee on Ways & Means.

Signed by Senators Wilson, Chair; Bailey, Vice Chair; Palumbo, Ranking Minority Member; Frockt.

**Staff:** Evan Klein (786-7483)

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### SENATE COMMITTEE ON WAYS & MEANS

**Staff:** Carrie Graf (786-7708)

**Background:** The Legislature created the Washington Customized Employment Training Program (Program) in 2006 to provide training assistance to employers located in or expanding to Washington.

The State Board for Community and Technical Colleges (State Board) administers the Program. The State Board awards training allowances to eligible employers who contract with qualified community and technical colleges or private vocational schools to provide

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customized training to individuals. Per trainee allowances are capped depending on the size of the business: \$3,000 for businesses employing 50 or more positions and \$6,000 for businesses employing less than 50 positions. Preference is given to employers with fewer than 50 employees. The employer must make good faith efforts to hire from trainees in the Program. Colleges must make good faith efforts to use trainers preferred by employers participating in the Program. At the completion of training, employers must re-pay the training allowance in phases over a period of 18 months. Repayments are deposited into the Training Finance Account that was created as part of the Program.

The Program was originally set to expire in 2012 and the Legislature later extended the expiration date to July 1, 2017.

**Summary of Bill:** The expiration date of the Washington Customized Employment Training Program is removed.

**Appropriation:** None.

**Fiscal Note:** Available.

**Creates Committee/Commission/Task Force that includes Legislative members:** No.

**Effective Date:** The bill contains an emergency clause and takes effect on June 30, 2017.

**Staff Summary of Public Testimony (Higher Education):** PRO: This bill is great for small business. For businesses to grow, they need these programs to be able to train their specialized staff. It makes sense to remove this expiration date and make this program available in the future. The State Board for Community and Technical Colleges is in support of this program. This program is a tool that allows the community and technical colleges to remain nimble in assisting businesses with training.

**Persons Testifying (Higher Education):** PRO: Representative Larry Haler, Prime Sponsor; Anna Nikolaeva, State Board for Community and Technical Colleges; Amy Anderson, Association of Washington Business.

**Persons Signed In To Testify But Not Testifying (Higher Education):** No one.

**Staff Summary of Public Testimony (Ways & Means):** PRO: Since 2007, more than 500 primarily small businesses have used the Customized Training Program to train 2100 employees in a variety of skills. This bill does not require an additional investment, it is a continuation of an existing program. This program was a valuable training program at Green River College, primarily for small manufacturers, and the plan is to use this tool at the Walla Walla Community college for a manufacturing business.

**Persons Testifying (Ways & Means):** PRO: Arlen Harris, State Board for Community and Technical Colleges; Derek Brandes, President, Walla Walla Community College.

**Persons Signed In To Testify But Not Testifying (Ways & Means):** No one.