FINAL BILL REPORT SSB 5713

C 225 L 17

Synopsis as Enacted

Brief Description: Creating the skilled worker outreach, recruitment, and career awareness training program.

Sponsors: Senate Committee on Higher Education (originally sponsored by Senators Palumbo, Wilson, Zeiger and King).

Senate Committee on Higher Education Senate Committee on Ways & Means House Committee on Higher Education House Committee on Appropriations

Background: Department of Commerce (Commerce). Commerce provides technical assistance and distributes state and federal loans and grants to counties, cities, and other units of local government for local community development, workforce development, growth management planning, and infrastructure projects.

Workforce Training and Education Coordinating Board (Workforce Board). The Workforce Board provides planning, coordination, evaluation, monitoring, and policy analysis for the state training system as a whole, and advises the Governor and Legislature concerning the state training system, in cooperation with the state training system and the Washington Student Achievement Council. As a state agency, the Workforce Board oversees a workforce development system that includes 18 education and training programs receiving almost \$1 billion annually in state and federal funds.

Skills Gaps. The Skilled and Educated Workforce Report, published every two years, is the product of the Washington Student Achievement Council, the State Board for Community and Technical Colleges and the Workforce Board. The 2015 Report projected a robust demand in Washington for workers with postsecondary education. Supply-demand gaps were found in production and trade fields, such as auto and diesel mechanics and machine tool technicians; business, management, and sales occupations; service occupations; health care occupations; science and technology fields; and in the culinary and hospitality industries.

Summary: <u>Program Establishment</u>. Subject to appropriations, the Skilled Worker Outreach, Recruitment, and Career Awareness Training Program (Program) is created, to fund outreach and awareness of training programs. Eligible applicants include any government or non-

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.

government entity, association, or organization that is not a private vocational school. Commerce must administer the Program and establish a process for accepting grant applications. Grant applications must be accepted starting January 1, 2018. Commerce, in coordination with the Workforce Board, must assess current and future workforce needs and coordinate skilled worker training and education programs throughout Washington.

<u>Applications</u>. Applications for a matching grant must include:

- a description of how the matching grant will be used to recruit participants to an existing or proposed skilled worker training program;
- a description of the skilled worker training program it plans to offer;
- past, current, and projected enrollment in the skilled worker training program;
- if an existing skilled worker training program, a comparison of enrollment and completion over a five-year period;
- industry needs or workforce gaps being addressed;
- a description of any intended or existing partnerships;
- costs or anticipated costs of operation;
- matching resources that are being committed; and
- any other information required by Commerce.

Skilled worker training programs include accredited educational, occupational education, apprentice, or other similar training programs. Skilled worker training programs do not include programs that award a bachelor's or higher degree.

<u>Grant Review Committee.</u> Commerce must establish a grant review committee to review grant applications and make recommendations on who should receive a matching grant and the amount. The grant review committee must consist of 12 members, with specific industry representation.

The grant review committee must establish criteria for ranking eligible applicants for matching grants, including:

- potential to reach a broad audience that includes populations with barriers to employment, as identified by the state's strategic workforce plan;
- demonstrated collaboration with and utilization of Centers of Excellence.
- ability to increase enrollment and completion of their skilled worker training program;
- potential to fill existing needs; and
- demonstrated ability to provide monetary contributions and secure an industry partner.

The grant review committee must submit its recommendations to the Director of Commerce who must determine to whom and in what amounts to award matching grants. The Department of Commerce is to coordinate with the Workforce Training Customer Advisory Committee, in addition to the Workforce Training Board, to coordinate skilled worker awareness programs in the state. Matching grants must be awarded by April 1st of each year.

The grant review committee must submit an annual report to the Governor and to the Legislature by December 1, 2019, and each year thereafter.

<u>Matching Grants</u>. Grants may not be used for tuition subsidies or to reduce tuition for a skilled worker training program. Recipients are required to match the grant funds at a rate of \$2 for every \$1 of the grant, and requires the match to be monetary, rather than an in-kind contribution.

Each grant recipient must submit a report on the outcomes achieved by the grant, including:

- the manner in which the grant was used to provide outreach and recruit participants;
- the number of participants who have enrolled and completed the training program;
- the number of participants who obtained employment in an industry the participant was trained in, under the program; and
- the number of participants recruited.

Account. The Program account is created in the custody of the State Treasurer to receive and dispense all monies associated with the Program. The Program account may consist only of funds appropriated by the Legislature for the Program and private contributions to the Program.

The Program expires on July 1, 2022.

Votes on Final Passage:

Senate 47 2

House 93 4 (House amended) Senate 47 2 (Senate concurred)

Effective: July 23, 2017