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**SUBSTITUTE HOUSE BILL 1130**

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**State of Washington**

**65th Legislature**

**2017 Regular Session**

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

READ FIRST TIME 01/27/17.

1 AN ACT Relating to making the customized training program  
2 permanent; amending RCW 28B.67.020 and 28B.67.030; repealing RCW  
3 28B.67.902; providing an effective date; and declaring an emergency.

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

5 **Sec. 1.** RCW 28B.67.020 and 2012 c 46 s 1 are each amended to  
6 read as follows:

7 (1) The Washington customized employment training program is  
8 hereby created to provide training assistance to employers locating  
9 or expanding in the state.

10 (2)(a) Application to receive funding under this program must be  
11 made to the board in a form and manner as specified by the board.  
12 Successful applicants must receive a training allowance from the  
13 board to cover the costs of training at a qualified training  
14 institution. Employers may not receive an allowance for training  
15 costs which exceed the maximum annual training cost per employee, as  
16 established by the board, and are not eligible to receive an  
17 allowance or allowances of over five hundred thousand dollars per  
18 calendar year.

19 (b) Allowances must be granted for applicants who meet the  
20 following criteria:

1 (i) The employer must have entered into an agreement with a  
2 qualified training institution to engage in customized training and  
3 the employer must agree to: (A) Upon completion of the training, make  
4 a payment to the employment training finance account created in RCW  
5 28B.67.030 in an amount equal to one-quarter of the amount of the  
6 training allowance; and (B) over the subsequent eighteen months, make  
7 monthly or quarterly payments, as specified in the agreement, to the  
8 employment training finance account created in RCW 28B.67.030 in an  
9 amount equal to three-quarters of the amount of the training  
10 allowance. During calendar years 2009 and 2010, participants may  
11 delay payments due under this section for up to eighteen months. The  
12 payments into the employment training finance account provided for in  
13 this section do not constitute payment to the institution.

14 (ii) When hiring, the employer must make good faith efforts, as  
15 determined by the board, to hire from trainees in the participant's  
16 training program. The agreement with the qualified training  
17 institution provided for in (b)(i) of this subsection must specify  
18 terms for reimbursement or additional payment to the employment  
19 training finance account by the employer if the participant does not,  
20 when hiring, make good faith efforts to hire from trainees in the  
21 participant's training program.

22 (iii) The training allowance may not be used to train workers who  
23 have been hired as a result of a strike or lockout.

24 (c) Preference is given to employers with fewer than fifty  
25 employees.

26 (d) Preference is given to training that leads to transferable  
27 skills that are interchangeable among different jobs, employers, or  
28 workplaces.

29 (3) Qualified training institutions may enter into agreements  
30 with four-year institutions of higher education, as defined in RCW  
31 28B.10.016, in accordance with the interlocal cooperation act,  
32 chapter 39.34 RCW.

33 (4) The board and qualified training institutions may solicit and  
34 receive gifts, grants, funds, fees, and endowments, in trust or  
35 otherwise, from tribal, local, federal, or other governmental  
36 entities, as well as private sources, for the purpose of providing  
37 training allowances under chapter 112, Laws of 2006. All revenue thus  
38 solicited and received must be deposited into the employment training  
39 finance account created in RCW 28B.67.030.

1 (5) Qualified training institutions must make good faith efforts  
2 to develop training programs using trainers preferred by  
3 participants.

4 (6) For employers who (a) have requested training under the job  
5 skills program created under chapter 28C.04 RCW but are not able to  
6 participate in the job skills program because the funds have all been  
7 committed, and (b) desire to become participants in the Washington  
8 customized employment training program, the board shall ensure a  
9 seamless process toward participation.

10 (7) The board may adopt rules to implement this section.

11 (~~(8) This section expires July 1, 2017.~~)

12 **Sec. 2.** RCW 28B.67.030 and 2013 2nd sp.s. c 4 s 961 are each  
13 amended to read as follows:

14 (1) All payments received from a participant in the Washington  
15 customized employment training program created in RCW 28B.67.020 must  
16 be deposited into the employment training finance account, which is  
17 hereby created in the custody of the state treasurer. Only the state  
18 board for community and technical colleges may authorize expenditures  
19 from the account and no appropriation is required for expenditures.  
20 The money in the account must be used solely for training allowances  
21 under the Washington customized employment training program created  
22 in RCW 28B.67.020 and for providing up to seventy-five thousand  
23 dollars per year for training, marketing, and facilitation services  
24 to increase the use of the program. The deposit of payments under  
25 this section from a participant ceases when the board specifies that  
26 the participant has met the monetary obligations of the program.  
27 During the 2013-2015 fiscal biennium, the legislature may transfer  
28 from the employment training finance account to the state general  
29 fund such amounts as reflect the excess fund balance in the account.

30 (2) All revenue solicited and received under the provisions of  
31 RCW 28B.67.020(4) must be deposited into the employment training  
32 finance account to provide training allowances.

33 (3) The definitions in RCW 28B.67.010 apply to this section.

34 (~~(4) This section expires July 1, 2017.~~)

35 NEW SECTION. **Sec. 3.** RCW 28B.67.902 (Expiration date—2006 c 112  
36 §§ 1-4 and 8) and 2012 c 46 s 4 & 2006 c 112 s 11 are each repealed.

1        NEW SECTION.    **Sec. 4.**    This act is necessary for the immediate  
2    preservation of the public peace, health, or safety, or support of  
3    the state government and its existing public institutions, and takes  
4    effect June 30, 2017.

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