

---

**SENATE BILL 5682**

---

**State of Washington**

**69th Legislature**

**2025 Regular Session**

**By** Senators Warnick and Hansen

1 AN ACT Relating to the Washington customized employment training  
2 program; amending RCW 82.04.449; creating new sections; and providing  
3 an expiration date.

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

5 NEW SECTION. **Sec. 1.** The legislature finds that affordable  
6 employer-specific worker training not only helps businesses but also  
7 improves the quality of life for workers and communities. The  
8 legislature also finds that 75 percent of participating businesses  
9 completed customized training under the program created in RCW  
10 28B.67.020 and repaid the customized employment training program  
11 training allowance, a performance threshold identified by the 67th  
12 legislature as satisfactory to extend the expiration date of the tax  
13 credit established in RCW 82.04.449. It is the intent of the  
14 legislature to aid in attracting and retaining jobs in Washington by  
15 extending the expiration of the customized employment training  
16 program tax credit to July 1, 2031.

17 **Sec. 2.** RCW 82.04.449 and 2021 c 116 s 3 are each amended to  
18 read as follows:

19 (1) In computing the tax imposed under this chapter, a credit is  
20 allowed for participants in the Washington customized employment

1 training program created in RCW 28B.67.020. The credit allowed under  
2 this section is equal to 50 percent of the value of a participant's  
3 payments to the employment training finance account created in RCW  
4 28B.67.030. If a participant in the program does not meet the  
5 requirements of RCW 28B.67.020(2)(b)(ii), the participant must remit  
6 to the department the value of any credits taken plus interest. The  
7 credit earned by a participant in one calendar year may be carried  
8 over to be credited against taxes incurred in a subsequent calendar  
9 year. No credit may be allowed for repayment of training allowances  
10 received from the Washington customized employment training program  
11 on or after July 1, ((2026)) 2031.

12 (2) A person claiming the credit provided in this section must  
13 file a complete annual tax performance report with the department  
14 under RCW 82.32.534.

15 (3) By December 31, ((2024)) 2028, the college board, as defined  
16 in RCW 28B.50.030, shall submit to the higher education committees of  
17 the legislature a report on:

- 18 ~~(a) ((Industries supported by the program;~~  
19 ~~(b) The geographical location of companies utilizing the program;~~  
20 ~~(c) The number of employees trained;~~  
21 ~~(d) The types of occupations included in the training;~~  
22 ~~(e) The wages of employees trained prior to program entrance and~~  
23 ~~the wage growth one year after training;~~  
24 ~~(f) Retention of employees for a period of one year after~~  
25 ~~training; and~~  
26 ~~(g) Credential attainment of employees upon completion of the~~  
27 ~~training, if applicable)) The distribution of credit eligibility by~~  
28 ~~county, as indicated by participants in the Washington customized~~  
29 ~~employment training program created in RCW 28B.67.020;~~

30 (b) The distribution of qualified training institutions that  
31 provided trainings under the Washington customized employment  
32 training program, by county; and

33 (c) Efforts taken by the college board to encourage use of the  
34 credit by a greater variety of industries and participation of a  
35 greater variety of qualified training institutions, as defined in RCW  
36 28B.67.010.

37 (4) This section expires July 1, 2033.

38 NEW SECTION. Sec. 3. (1) This section is the tax preference  
39 performance statement for the tax preference contained in section 2,

1 chapter . . ., Laws of 2025 (section 2 of this act). This performance  
2 statement is only intended to be used for subsequent evaluation of  
3 the tax preference. It is not intended to create a private right of  
4 action by any party or be used to determine eligibility for  
5 preferential tax treatment.

6 (2) The legislature categorizes this tax preference as one  
7 intended to accomplish a general purpose, as indicated in RCW  
8 82.32.808(2)(f), which is to provide customized workforce development  
9 and skill development training that enhances worker skill sets.

10 (3) It is the legislature's specific public policy objective to  
11 provide customized training assistance that retains and expands  
12 existing businesses in Washington.

13 (4) If a review finds that 75 percent of participating businesses  
14 complete the training and repay the customized employment training  
15 program loan, then the legislature intends to extend the expiration  
16 date of this tax preference.

17 (5) In order to obtain the data necessary to perform the review  
18 in subsection (4) of this section, the joint legislative audit and  
19 review committee may refer to any data collected by the state.

--- END ---