

HOUSE BILL REPORT

SB 5554

As Passed House:
April 9, 2009

Title: An act relating to the job skills program.

Brief Description: Regarding the job skills program.

Sponsors: Senators Kilmer, Hobbs, Kastama, King, Jarrett, Marr, McAuliffe, Shin and Pridemore.

Brief History:

Committee Activity:

Higher Education: 3/13/09, 3/24/09 [DP].

Floor Activity

Passed House: 4/9/09, 96-1.

Brief Summary of Bill

- Prioritizes job skills programs that promote the growth of industry clusters, propose industry-based credentialing, coordinate with other cluster-based programs, and benefit industry and students beyond the grant recipients.
- Provides that job skills programs provide training that lead to transferable skills that are interchangeable among different jobs, employers, or workplaces.

HOUSE COMMITTEE ON HIGHER EDUCATION

Majority Report: Do pass. Signed by 6 members: Representatives Wallace, Chair; Sells, Vice Chair; Carlyle, Driscoll, Grant-Herriot and White.

Minority Report: Without recommendation. Signed by 5 members: Representatives Anderson, Ranking Minority Member; Schmick, Assistant Ranking Minority Member; Angel, Haler and Hasegawa.

Staff: Cece Clynch (786-7195)

Background:

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.

The Job Skills Program (Program) was created in 1983 to provide short-term training customized to meet businesses' specific needs. Educational institutions work in partnership with business and industry to deliver training to new or current employees at the the work site or in a classroom. Up to 50 percent of training costs are covered by a Job Skills grant (grant). Financial support from business and industry must be equal to or greater than the amount of the grant, and may be in the form of cash or in-kind resources.

The Program is administered by the State Board for Community and Technical Colleges (SBCTC), with the advice of the Workforce Training Customer Advisory Committee (Advisory Committee). The SBCTC is charged with assuring the following:

1. The Program is within the scope of the Job Skills Program and may reasonably be expected to succeed and thereby increase employment in the state.
2. Provision has been made to use any available alternative funding from local, state, and federal sources.
3. The grant will only be used to cover Program costs.
4. The Program will not be unnecessarily duplicative.
5. There is demonstrable need for the skills training and education.
6. The educational institution has made provisions for the use of existing resources for student financial assistance.
7. Absent the grant, the educational institution would not be able to attract the necessary technical assistance and financial support from business and industry.
8. The Program is a collaborative partnership between business, industry, labor, educational institutions, and other partners.
9. Financial support from business and industry is equal to or greater than the grant amount.
10. Reporting and auditing requirements are met.
11. Provision has been made to work in tandem with the Employment Security Department to identify and screen potential trainees and for participation by low-income persons, those receiving temporary assistance for needy families, dislocated workers, and persons from disadvantaged groups.

The Job Skills Program was funded at \$2.725 million for Fiscal Year 2009. According to the SBCTC's January 1, 2009 report to the Legislature: \$2.466 million in grants were awarded to 24 projects that expect to train 2,677 workers; \$55,000 was expended for Program administration and support, marketing, and technical assistance; and \$204,300 was available for new projects in the remainder of the 2009 Fiscal Year. An additional three projects were in the process of submitting applications.

Summary of Bill:

The SBCTC and the Advisory Committee are directed to give priority to applications which promote the growth of industry clusters, specifically those:

- from firms in strategic industry clusters as identified by the state or local areas;
- proposing coordination with other cluster-based programs or initiatives;
- proposing industry-based credentialing; and

- proposing increased capacity for educational institutions that can be made available to industry and students beyond the grant recipients.

In awarding grants, the SBCTC and the Advisory Committee shall assure that the Program provides training that reads to transferable skills that are interchangeable among different jobs, employers, or workplaces.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) The chance to participate is gladly welcomed by Washington employers. The Program needs to be able to respond quickly when a business needs assistance with training. It is an important tool for enhancing the growth of the economy and increasing employment opportunities.

(Opposed) None.

Persons Testifying: Senator Kilmer, prime sponsor; Carol Melby, State Board for Community and Technical Colleges; Carolyn McKinnon, Workforce Training and Education Coordinating Board; Amber Carter, Association of Washington Business; and Steve Lindstrom, Northwest Career Colleges Federation.

Persons Signed In To Testify But Not Testifying: None.