H-2442.1			

SECOND SUBSTITUTE HOUSE BILL 1355

2009 Regular Session State of Washington 61st Legislature

By House Ways & Means (originally sponsored by Representatives Probst, Quall, Kessler, Sullivan, Wallace, Maxwell, Rolfes, Springer, Green, Jacks, Carlyle, Kenney, Ormsby, Seaquist, Liias, Sells, Priest, Dammeier, Hunt, Hudgins, Morrell, Van De Wege, Moeller, Chase, Conway, Goodman, Driscoll, Simpson, Santos, and Kelley)

READ FIRST TIME 03/03/09.

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- 1 AN ACT Relating to establishing the opportunity internship program for high school students; amending RCW 28B.92.030, 28B.92.080, and 2. 28B.92.110; adding new sections to chapter 28C.18 RCW; adding a new 3
- section to chapter 28B.92 RCW; and creating new sections. 4
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- <u>NEW SECTION.</u> **Sec. 1.** (1) The legislature finds that moving low-6 7 income high school students efficiently through a progression of career preapprenticeships 8 exploration, internships or in high-demand 9 occupations, and completion of postsecondary education benefits these students by increasing the relevance of their high school education, 10 increasing their connection to the working world, accelerating their 11 entry into a high-demand occupation, and increasing their earnings and 12 opportunities. 13
 - (2) The legislature further finds that in a difficult economy, youth unemployment rates increase sharply. Providing paid internships and preapprenticeships to high school students creates not only an immediate short-term economic stimulus in local communities, but also creates the potential to sustain that economic recovery by making

2SHB 1355 p. 1

students better prepared for postsecondary education and employment in the types of occupations that will generate economic growth over the long term.

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- (3) The legislature further finds that moving students efficiently through secondary and postsecondary education reduces state expenditures by improving on-time graduation and postsecondary retention and increases state revenues by providing for graduates with higher lifelong earnings and taxpaying potential.
- (4) Employers and local economies benefit from the development of a long-term relationship with potential employees and a more consistent pipeline of skilled workers into the occupations for which they are having the most trouble finding skilled workers.
- 13 (5) Therefore the legislature intends to provide incentives for 14 local consortia of employers, labor organizations, educational 15 institutions, and workforce and economic development councils to use 16 existing funds to build educational and employment pipelines to high-17 demand occupations for low-income high school students.
- NEW SECTION. Sec. 2. A new section is added to chapter 28C.18 RCW to read as follows:
 - (1) The opportunity internship program is created under sections 2 through 6 of this act. The purpose of the program is to provide incentives for opportunity internship consortia to use existing resources to build educational and employment pipelines to high-demand occupations in targeted industries for low-income high school students. Three types of incentives are provided through the program:
 - (a) Each opportunity internship graduate shall be eligible for up to one year of financial assistance for postsecondary education as provided in section 8 of this act;
 - (b) Each opportunity internship graduate who completes a postsecondary program of study shall receive a job interview with an employer participating in an opportunity internship consortium that has agreed to provide such interviews; and
 - (c) For each opportunity internship graduate who completes a postsecondary program of study, obtains employment in a high-demand occupation that pays a starting salary or wages of not less than thirty thousand dollars per year, and remains employed for at least six

2SHB 1355 p. 2

- months, the participating opportunity internship consortium shall be eligible to receive an incentive payment as provided in section 6 of this act.
- 4 (2) The opportunity internship program shall be administered by the board and the board may adopt rules to implement the program.
- 6 <u>NEW SECTION.</u> **Sec. 3.** A new section is added to chapter 28C.18 RCW 7 to read as follows:
- 8 Unless the context clearly requires otherwise, the definitions in 9 this section apply throughout sections 2 through 6 of this act.

- (1) "High-demand occupation" means an occupation with a substantial number of current or projected employment opportunities.
- (2) "Low-income high school student" means a student who is enrolled in grades ten, eleven, or twelve in a public high school and who qualifies for federal free or reduced-price meals. If a student qualifies at the time the student begins participating in the opportunity internship program, the student remains eligible even if the student does not receive free or reduced-price meals thereafter. To participate in the program, the student must remain enrolled in high school until the student receives a high school diploma.
- (3) "Opportunity internship consortium" means a local consortium formed for the purpose of participating in the opportunity internship program and which may be composed of a local workforce development council, economic development council, area high schools, community or technical colleges, apprenticeship councils, preapprenticeship programs such as running start for the trades, private vocational schools licensed under chapter 28C.10 RCW, public and private four-year institutions of higher education, employers in targeted industries, and labor organizations.
- (4) "Opportunity internship graduate" means a low-income high school student who successfully completes an opportunity internship program and graduates from high school.
- (5) "Postsecondary program of study" means an undergraduate or graduate certificate, apprenticeship, or degree program.
- (6) "Preapprenticeship" means a program of at least ninety hours and not more than one hundred eighty hours in length that provides practical experience, education, preparation, and the development of skills that would be beneficial for entry into state-approved

p. 3 2SHB 1355

- apprenticeship programs, including but not limited to construction industry structure and the construction process; orientation to stateapproved apprenticeship; tools of the various trades and safe handling of power tools; and industry standards of safety, responsibility, and craft excellence.
 - (7) "Targeted industry" means a business or industry identified by a local workforce development council as having high-demand occupations that require candidates to have completed a postsecondary program of study.

NEW SECTION. Sec. 4. A new section is added to chapter 28C.18 RCW to read as follows:

- (1) Opportunity internship consortia may apply to the board to offer an opportunity internship program.
- (a) The board, in consultation with the Washington state apprenticeship and training council, may select those consortia that demonstrate the strongest commitment and readiness to implement a high quality opportunity internship program for low-income high school students. The board shall place a priority on consortia with demonstrated experience working with similar populations of students and demonstrated capacity to assist a large number of students through the progression of internship or preapprenticeship, high school graduation, postsecondary education, and retention in a high-demand occupation. The board shall place a priority on programs that emphasize secondary career and technical education and nonbaccalaureate postsecondary education; however, programs that target four-year postsecondary degrees are eligible to participate.
- (b) The board shall enter into a contract with each consortium selected to participate in the program. No more than ten consortia per year shall be selected to participate in the program, and to the extent possible, the board shall assure a geographic distribution of consortia in regions across the state emphasizing a variety of targeted industries. Each consortium may select no more than one hundred lowincome high school students per year to participate in the program.
- (2) Under the terms of an opportunity internship program contract, an opportunity internship consortium shall commit to the following activities which shall be conducted using existing federal, state, local, or private funds available to the consortium:

(a) Identify high-demand occupations in targeted industries for which opportunity internships or preapprenticeships shall be developed and provided;

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- (b) Develop and implement the components of opportunity internships, including paid or unpaid internships or preapprenticeships of at least ninety hours in length in high-demand occupations with employers in the consortium, mentoring and guidance for students who in the program, assistance with applications participate postsecondary programs and financial aid, and a guarantee of a job interview with a participating employer for all opportunity internship graduates who successfully complete a postsecondary program of study;
- (c) Once the internship or preapprenticeship components have been developed, conduct outreach efforts to inform low-income high school students about high-demand occupations, the opportunity internship program, options for postsecondary programs of study, and the incentives and opportunities provided to students who participate in the program;
- (d) Obtain appropriate documentation of the low-income status of students who participate in the program;
- (e) Maintain communication with opportunity internship graduates of the consortium who enroll in postsecondary programs of study; and
- (f) Submit an annual report to the board on the progress of and participation in the opportunity internship program of the consortium.
 - (3) Opportunity internship consortia are encouraged to:
- (a) Provide paid opportunity internships or preapprenticeships, including during the summer months to encourage students to stay enrolled in high school;
- (b) Work with high schools to offer opportunity internships as approved worksite learning experiences where students can earn high school credit;
- (c) Designate the local workforce development council as fiscal agent for the opportunity internship program contract;
- (d) Work with area high schools to incorporate the opportunity internship program into comprehensive guidance and counseling programs such as the navigation 101 program; and
- (e) Coordinate the opportunity internship program with other workforce development and postsecondary education programs, including

p. 5 2SHB 1355

- opportunity grants, the college bound scholarship program, federal workforce investment act initiatives, and college access challenge grants.
- 4 (4) The board shall seek federal funds that may be used to support 5 the opportunity internship program, including providing the incentive 6 payments under section 6 of this act.

NEW SECTION. Sec. 5. A new section is added to chapter 28C.18 RCW to read as follows:

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On an annual basis, each opportunity internship consortium shall provide the board with a list of the opportunity internship graduates from the consortium. The board shall compile the lists from all consortia and shall notify the higher education coordinating board of the eligibility of each graduate on the lists to receive a state need grant under chapter 28B.92 RCW if the graduate enrolls in a postsecondary program of study within one year of high school graduation.

- NEW SECTION. Sec. 6. A new section is added to chapter 28C.18 RCW to read as follows:
 - (1) On an annual basis, each opportunity internship consortium shall provide the board with a list of the opportunity internship graduates from the consortium who have completed a postsecondary program of study, obtained employment in a high-demand occupation that pays a starting salary or wages of not less than thirty thousand dollars per year, and remained employed for at least six months.
 - (2) The board shall verify the information on the lists from each consortium. Subject to funds appropriated or otherwise available for this purpose, the board shall allocate to each consortium an incentive payment of two thousand dollars for each graduate on the consortium's list. In the event that insufficient funds are appropriated to provide a full payment, the board shall prorate payments across all consortia and shall notify the governor and the legislature of the amount of the shortfall.
- 33 (3) Opportunity internship consortia shall use the incentive 34 payments to continue operating opportunity internship programs.

2SHB 1355 p. 6

1 **Sec. 7.** RCW 28B.92.030 and 2004 c 275 s 35 are each amended to 2 read as follows:

As used in this chapter:

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- (1) "Institution or institutions of higher education" means:
- (a) Any public university, college, community college, or technical college operated by the state of Washington or any political subdivision thereof; or
- (b) Any other university, college, school, or institute in the state of Washington offering instruction beyond the high school level which is a member institution of an accrediting association recognized by rule of the board for the purposes of this section: PROVIDED, That any institution, branch, extension or facility operating within the state of Washington which is affiliated with an institution operating in another state must be a separately accredited member institution of any such accrediting association, or a branch of a member institution of an accrediting association recognized by rule of the board for purposes of this section, that is eligible for federal student financial aid assistance and has operated as a nonprofit college or university delivering on-site classroom instruction for a minimum of twenty consecutive years within the state of Washington, and has an annual enrollment of at least seven hundred full-time equivalent PROVIDED FURTHER, That no institution of higher education shall be eligible to participate in a student financial aid program unless it agrees to and complies with program rules and regulations adopted pursuant to RCW 28B.92.150.
- (2) "Financial aid" means loans and/or grants to needy students enrolled or accepted for enrollment as a student at institutions of higher education.
- (3) "Needy student" means a post high school student of an institution of higher education who demonstrates to the board the financial inability, either through the student's parents, family and/or personally, to meet the total cost of board, room, books, and tuition and incidental fees for any semester or quarter. "Needy student" also means an opportunity internship graduate as defined by section 3 of this act who enrolls in a postsecondary program of study as defined in section 3 of this act within one year of high school graduation.

p. 7 2SHB 1355

- 1 (4) "Disadvantaged student" means a post high school student who by
 2 reason of adverse cultural, educational, environmental, experiential,
 3 familial or other circumstances is unable to qualify for enrollment as
 4 a full time student in an institution of higher education, who would
 5 otherwise qualify as a needy student, and who is attending an
 6 institution of higher education under an established program designed
 7 to qualify the student for enrollment as a full time student.
 - (5) "Board" means the higher education coordinating board.

- 9 <u>NEW SECTION.</u> **Sec. 8.** A new section is added to chapter 28B.92 RCW to read as follows:
 - (1) The board shall work with institutions of higher education to assure that the institutions are aware of the eligibility of opportunity internship graduates for an award under this chapter.
 - (2) If an opportunity internship graduate enrolls within one year of high school graduation in a postsecondary program of study in an institution of higher education, including in an apprenticeship program with related and supplemental instruction provided through an institution of higher education, the graduate is eligible to receive a state need grant for up to one year. The graduate shall not be required to be enrolled on at least a half-time basis. The related and supplemental instruction provided to a graduate through an apprenticeship program shall not be required to lead to a degree or certificate.
 - (3) Except for the eligibility criteria for an opportunity internship graduate that are provided under this section, other rules pertaining to award of a state need grant apply.
 - (4) Nothing in this section precludes an opportunity internship graduate from being eligible to receive additional state need grants after the one-year grant provided in this section if the graduate meets other criteria as a needy or disadvantaged student.
- **Sec. 9.** RCW 28B.92.080 and 2007 c 404 s 1 are each amended to read 32 as follows:
- Except for opportunity internship graduates whose eligibility is provided under section 8 of this act, for a student to be eligible for a state need grant a student must:

2SHB 1355 p. 8

1 (1) Be a "needy student" or "disadvantaged student" as determined 2 by the board in accordance with RCW 28B.92.030 (3) and (4)((-)):

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- (2) Have been domiciled within the state of Washington for at least one year((\cdot));
- (3) Be enrolled or accepted for enrollment on at least a half-time basis at an institution of higher education in Washington as defined in RCW 28B.92.030(1)((-));
 - (4) Until June 30, 2011, to the extent funds are specifically appropriated for this purpose, and subject to any terms and conditions specified in the omnibus appropriations act, be enrolled or accepted for enrollment for at least three quarter credits or the equivalent semester credits at an institution of higher education in Washington as defined in RCW 28B.92.030(1)((-)); and
- 14 (5) Have complied with all the rules ((and regulations)) adopted by 15 the board for the administration of this chapter.
- 16 **Sec. 10.** RCW 28B.92.110 and 2004 c 275 s 40 are each amended to read as follows:

A state financial aid recipient under this chapter shall apply the award toward the cost of tuition, room, board, books, and fees at the institution of higher education attended. An opportunity internship graduate who enters an apprenticeship program may use the award for the costs of related and supplemental instruction provided through an institution of higher education, tools, and other costs associated with the apprenticeship program.

- NEW SECTION. Sec. 11. (1) The workforce training and education coordinating board shall conduct an outcome evaluation of opportunity internship programs. At a minimum, the analysis shall examine the financial benefits of on-time graduation, youth employment while in high school, postsecondary education enrollment and completion, and adult employment in high-demand occupations compared to the local and state costs of the programs.
- 32 (2) The board shall submit a preliminary analysis to the governor 33 and the education and higher education committees of the legislature by 34 December 1, 2012, and a final analysis by December 1, 2014.

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p. 9 2SHB 1355