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**SUBSTITUTE SENATE BILL 6371**

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**State of Washington**

**62nd Legislature**

**2012 Regular Session**

**By Senate Ways & Means** (originally sponsored by Senators Shin, Benton, Chase, Haugen, Kilmer, Delvin, Hatfield, Schoesler, Becker, McAuliffe, and Conway)

READ FIRST TIME 02/07/12.

1       AN ACT Relating to extending the customized employment training  
2 program; amending RCW 28B.67.020, 28B.67.030, 82.04.449, and  
3 28B.67.902; and providing expiration dates.

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

5       **Sec. 1.** RCW 28B.67.020 and 2011 c 151 s 4 are each amended to read  
6 as follows:

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

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

1 (b) Allowances (~~shall~~) must be granted for applicants who meet  
2 the following criteria:

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

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

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

26 (c) Preference (~~shall be~~) is given to employers with fewer than  
27 fifty employees.

28 (d) Preference (~~shall be~~) is given to training that leads to  
29 transferable skills that are interchangeable among different jobs,  
30 employers, or workplaces.

31 (3) Qualified training institutions may enter into agreements with  
32 four-year institutions of higher education, as defined in RCW  
33 28B.10.016, in accordance with the interlocal cooperation act, chapter  
34 39.34 RCW.

35 (4) The board and qualified training institutions may solicit and  
36 receive gifts, grants, funds, fees, and endowments, in trust or  
37 otherwise, from tribal, local, federal, or other governmental entities,  
38 as well as private sources, for the purpose of providing training

1 allowances under chapter 112, Laws of 2006. All revenue thus solicited  
2 and received (~~shall~~) must be deposited into the employment training  
3 finance account created in RCW 28B.67.030.

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

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

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

13 (8) This section expires July 1, (~~2012~~) 2017.

14 **Sec. 2.** RCW 28B.67.030 and 2010 1st sp.s. c 26 s 4 are each  
15 amended to read as follows:

16 (1) All payments received from a participant in the Washington  
17 customized employment training program created in RCW 28B.67.020  
18 (~~shall~~) must be deposited into the employment training finance  
19 account, which is hereby created in the custody of the state treasurer.  
20 Only the state board for community and technical colleges may authorize  
21 expenditures from the account and no appropriation is required for  
22 expenditures. The money in the account must be used solely for  
23 training allowances under the Washington customized employment training  
24 program created in RCW 28B.67.020 and for providing up to seventy-five  
25 thousand dollars per year for training, marketing, and facilitation  
26 services to increase the use of the program. The deposit of payments  
27 under this section from a participant (~~shall~~) ceases when the board  
28 specifies that the participant has met the monetary obligations of the  
29 program. During the 2007-2009 fiscal biennium, the legislature may  
30 transfer from the employment training finance account to the state  
31 general fund such amounts as reflect the excess fund balance in the  
32 account.

33 (2) All revenue solicited and received under the provisions of RCW  
34 28B.67.020(4) (~~shall~~) must be deposited into the employment training  
35 finance account to provide training allowances.

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

37 (4) This section expires July 1, (~~2012~~) 2017.

1           **Sec. 3.** RCW 82.04.449 and 2010 c 114 s 121 are each amended to  
2 read as follows:

3           (1) In computing the tax imposed under this chapter, a credit is  
4 allowed for participants in the Washington customized employment  
5 training program created in RCW 28B.67.020. The credit allowed under  
6 this section is equal to fifty percent of the value of a participant's  
7 payments to the employment training finance account created in RCW  
8 28B.67.030. If a participant in the program does not meet the  
9 requirements of RCW 28B.67.020(2)(b)(ii), the participant must remit to  
10 the department the value of any credits taken plus interest. The  
11 credit earned by a participant in one calendar year may be carried over  
12 to be credited against taxes incurred in a subsequent calendar year.  
13 No credit may be allowed for repayment of training allowances received  
14 from the Washington customized employment training program on or after  
15 July 1, ((2016)) 2021.

16           (2) A person claiming the credit provided in this section must file  
17 a complete annual survey with the department under RCW 82.32.585.

18           **Sec. 4.** RCW 28B.67.902 and 2006 c 112 s 11 are each amended to  
19 read as follows:

20           Sections 1 through 4 and 8 of this act expire July 1, ((2012))  
21 2017.

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